NAMIBIAN AGRONOMIC BOARD

NAB ANNUAL REPORT

No.26

1 April 2012 - 31 March 2013

Vision, mission, core functions and strategic objective of the Namibian Agronomic Board (NAB)

VISION

To be a leading promoter of a vibrant agronomic industry.

MISSION

To develop and promote a sustainable and diverse agronomic industry through strong leadership, management, facilitation, advice and regulation in effective partnership with Government and stakeholders.

CORE VALUES

The NAB strives to uphold the core values of integrity, teamwork, fairness, independent thinking, pro-activity and accountability.

STRATEGIC OBJECTIVE

To promote the agronomic industry and to facilitate the production, processing, storage and marketing of controlled products in Namibia.

MOTTO

"...creating a marketing environment that is conducive to growing and processing crops in Namibia..."

Contents

1. Namibian Agronomic Board 2

1.1 Report from the Chair 2
1.2 Establishment of the Board 2
1.3 Composition of the Board 2
1.4 Advisory committees and composition 3

2. NAB Administration 6

2.1 Report from the CEO 6
2.2 Functions of the NAB Secretariat 7
2.3 NAB staff members 8

3. Controlled crops and development projects 10

3.1 Mahangu 10
3.2 Wheat 12
3.3 White maize 13
3.4 Horticulture fresh produce 18
3.5 Development projects 21

4. NAB awards 22

4.1 Mahangu 22
4.2 Master Agronomist: White maize and wheat 22
4.3 Caprivi Dry-land Champion Maize Farmer 22
4.4 National Horticulture Day 23

5. Public Relations report 24
6. Border control and inspection service 24
7. Regional and international trade relations 24
8. Report of the Auditor General 26

The Namibian Agronomic Board

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List of abbreviations

ACP	Africa Caribbean Pacific
ADCs	Agricultural Development Centres
AETs	Agriculture Extension Technicians
AIDS	Acquired Immunodeficiency Syndrome
APA	Agronomy Producers Association
ATF	Agricultural Trade Forum of Namibia
CAF	Conservation Agriculture Forum
CATT	Conservation Agriculture Task Team
CBNRM	Community Based Natural Resources Management
CDAPP	Community Draught Animal Power Coordinators
CEO	Chief Executive Officer
CES	Creative Entrepreneur Solutions
CONTILL	Conservation Tillage
CRIAA-SADC	Centre for Research Information Action in Africa Southern African Development Community
DAP	Draught Animal Power
DAPAP	Draught Animal Power Acceleration Project
DDA	Doha Development Agenda
DPAC	Development Projects Advisory Committee
DPD	Development Projects Division
EC	European Community
EFTA	European Free Trade Area
EMU:OPM	Emergency Management Unit: Office of the Prime Minister
EPA	Economic Partnership Agreement
EU	European Union
EWC	Eudafano Women's Cooperative
FAO	Food and Agriculture Organisation
FMAC	Financial Management Advisory Committee
FPTA	Fresh Produce Traders Association
GART	Golden Valley Agricultural Research Trust
GMO	Genetically Manipulated Organism
GTZ	Gesellschaft für Technische Zusammenarbeit (Agency for Technical Cooperation, Germany)
ha	hectare
HIV	Human Immunodeficiency Virus
INP	Indigenous Natural Plants
IPTT	Indigenous Plant Task Team
ISC	Interim Seed Council
KMS	Kalahari Melon Seed
MAC	Mahangu Advisory Committee
MAWF	Ministry of Agriculture, Water and Forestry
MCAN	Millennium Challenge Account Namibia
MFO	Marula Food Oil
MSP	Market Share Promotion
MSTT	Mahangu and Sorghum Task Team
MTAG	Mahangu Transformation Action Group
NAB	Namibian Agronomic Board
NAHOP	National Association of Horticulture Producers
NAU	Namibia Agricultural Union
NBRI	National Botanical Research Institute
NCA	Namibia Consumers' Association
NCRs	North-Central Regions
NDAPC	National Draught Animal Power Coordinator
NFGP	Namibian Forum for Grain Producers
NGOs	Non-Governmental Organisations
NGPA	Namibian Grain Processors' Association
NHDI	National Horticulture Development Initiative
NHTT	National Horticulture Task Team
NMA	Namibia Manufacturers' Association
NMAC	National Mahangu Advisory Committee
NMMPA	Namibia Mahangu Millers and Processors Association
NNFSGC	Northern Namibia Farmers Seed Growers Cooperative
NNFU	Namibia National Farmers' Union
NPC	National Planning Commission
N$	Namibia Dollar
NTF	Namibia Trade Forum
PPOs	Primary Producers Organisations
PUMP	Productivity Upliftment Micro-projects Project
PWC	PriceWaterhouseCoopers
RDAPCs	Regional Draught Animal Power Coordinators
RPRP	Rural Poverty Reduction Programme
SACU	Southern African Customs Union
SADC	Southern African Development Community
SAFEX	South African Futures Exchange
SIDA	Swedish International Development Agency
SPS	Sanitary and Phytosanitary
t	(metric) ton
UPDP	Useful Plants Development Project
USA	United States of America
US$	USA Dollar
VAT	Value Added Tax

1. NAMIBIAN AGRONOMIC BOARD

1.1 Chairman's Report

It is once again a pleasure to present a colourful, comprehensive report on the activities of the Namibian Agronomic Board (NAB) for the overview period of April 2012 to March 2013.

The results as presented in the Annual Report are testament to the fact that the Board is fulfilling its key objectives as determined by the Agronomic Industry Act, namely, "to promote the agronomic industry and to facilitate the production, processing, storage and marketing of controlled products in Namibia". We are very grateful for the overall success, which was not achieved overnight or by this Board alone. Significant improvement in horticulture, wheat and maize production has gradually been achieved by introducing specific product category measures. In this regard, the introduction of the Namibian Market Share Promotion mechanism has reached an all-time high, where 39% of our Namibian requirements for horticultural products were produced locally during the review period. Similarly, the pre-planting price mechanism for maize and wheat, together with good climatic conditions, resulted in another all-time record where more than 72 000 tons of maize and 15 000 tons of wheat were produced during the overview period.

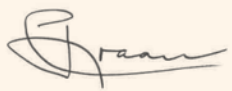
The Board is hopeful about the introduction of special measures to specifically promote the domestic production and marketing of potatoes and onions in future. The process to reach agreement on the required measures between the different stakeholders in this agro sector has been activated.

I am happy to report that during the review period, the Board functioned on a level that one would have expected from an efficient Board. The Board's governance role/responsibilities were hugely supported by the efficiency of the Board Committees.

The winners of Board Awards are mentioned in the Annual Report. Please receive our sincere congratulations on your achievements. By recognising your exemplarity achievements, the growing success within the agronomic industry is highlighted and co-stakeholders are challenged to increase their productivity within the different agro sectors.

I would like to express my gratitude towards the Honourable Minister of Agriculture, Water and Forestry, as well as the Permanent Secretary in this Ministry, for their assistance and cooperation, without reservation, during the review period. The cooperative spirit we enjoyed surely contributed significantly to the successes we enjoyed. The Secretariat delivered a proper and efficient operational management function to the Board. In this regard we would like to convey our appreciation to the Chief Executive Officer and all his staff. Finally, I would like to thank all Board Members for the diligent way in which they executed their task – always in high spirits by applying independence of mind!

Kobus van Graan



1.2 Establishment of the Board

The Namibian Agronomic Board (NAB) as a statutory body, came into existence on 1 April 1985 in terms of the Agronomic Industry Proclamation AG 11 and AG 12 of 1985. During 1992, these Proclamations were replaced by the Agronomic Industry Act, Act 20 of 1992, defining the Board's powers and obligations. The Namibian Agronomic Board will also be monitored by the State Owned Enterprises (SOE) Act, Act 149 of 2006 that came into existence on 14 September 2006. The scope of duties of the NAB is very broad and includes a variety of different sectors within the agronomic industry. For this reason, the Board has established a number of internal sectoral advisory committees, making recommendations to the Overall Advisory Committee (OAC). The OAC and the Financial Management Advisory Committee (FMAC) are the overarching advisory committees consisting of experts within the specific sectors who consider and deliberate on relevant issues for recommendations to be made to the Board. The pre-deliberation and resulting recommendations effectively assist the Board in making optimum industry decisions.

1.3 Composition of the Board

Section 4(1) of the Agronomic Industry Act, Act 20 of 1992, stipulates that the Minister of Agriculture, Water and Forestry (MAWF) appoints Board members from various sectors of the agronomic industry. These members are appointed for a period not exceeding three years as outlined in section 5(1)(b) of the same Act.

The current Board was appointed by the Minister of Agriculture, Water and Forestry the Honourable John Mutorwa, on 12 April 2011, for a period of three years. The appointees are:

1. **Mr Kobus van Graan: Chair**
2. **Ms Sirkka Iileka: Deputy Chair**
3. **Ms Kaarina Amutenya**
4. **Mr Dawie de Klerk**
5. **Mr Hannes Grobbelaar**
6. **Ms Elizabeth Hilger**
7. **Ms Elina Kalundu**
8. **Ms Virginia Kayimbi**
9. **Mr Sylvanus Naunyango**
10. **Pastor Matthias Semi**
11. **Sister Magdalena Shetunyenga**

12. **Mr John Haushiku Thighuru**
13. **Mr Petrus Uugwanga**

Section 4(4) of the Agronomic Industry Act allows the Board to appoint a maximum number of three portfolios as non-voting advisors to the Board. Historically, the NAB has allocated these three positions as follows:

- Chair: Northern Mahangu Millers and Producers Association (NMMPA), represented by Rev Ananias Iita;
- Ministry of Trade and Industry: Trade Policy and External Trade Relations, represented by Mr Benjamin Katjipuka; and,
- A senior representative of the NNFU. Ms Sirkka Iileka who would fill this position, already sits on the Board as Deputy Chair, therefore it does not need to be filled.

Outside of appointed Board members, knowledgeable leadership portfolios within the agronomic industry were invited to Board meetings as resource persons. These are:

Mr Gernot Eggert
Chair: APA (External sectoral committee);
Mr Ian Collard
Chair: FMAC (NAB advisory committee);
Chair: NGPA (External sectoral committee);
Mr Michael Iyambo
Chair: NHTT (NAB advisory committee); and,
Mr Leon Nel
Delegate: Chair: NAFTP (External sectoral committee).

Three Board meetings were held during the period under review. These dates are 9 April 2012, 30 August 2012 and 6 December 2012.

1.4 Advisory Committees and composition

The Overall Advisory Committee of the NAB (OAC)

This Committee comprises Board members and other knowledgeable persons, advising the Board by way of recommendations on principle and policy issues:

Mr Kobus van Graan
Chair of the NAB
Ms Sirkka Iileka
Deputy Chair of the NAB and Chair of the NMAC
Mr Petrus Uugwanga
Board Member
Mr Dawie de Klerk
Board Member

Mr Hannes Grobbelaar
Board Member and Chair: NMWAC
Mr Ian Collard
Chair: FMAC and Chair: NGPA
Mr Michael Iyambo
Chair: NHTT
Mr Leon Nel
Chair: NATFP
Mr Gernot Eggert
Chair: APA
Rev Ananias Iita
Chair: NMMPA

Three OAC meetings were held during the period under review. The meetings were held on 2 August 2012, 13 November 2012 and 12 March 2013.

Financial Management Advisory Committee (FMAC)

Mr Ian Collard
Chair
Ms Kaarina Amutenya
Board Member
Mr Dawie de Klerk
Board Member
Mr Michael Iyambo
Resource Person to the Board
Mr NC Tromp
NC Tromp & Co: External auditors
Mr Petrus Uugwanga
Board Member
Mr Kobus van Graan
NAB Chair: Ex-officio

The FMAC meetings were held during the period of review on 20 July 2012, 1 November 2012 and 25 February 2013.

National Mahangu Advisory Committee (NMAC)

Ms Sirkka Iileka
Chair

This Committee comprises 20 members and advisors, representing the mahangu sector. The NMAC held 3 ordinary meetings during the period under review. These were on 26 June 2012, 9 October 2012 and 23 February 2013. An extra-ordinary meeting was held on 23 October 2012.

National Horticulture Task Team (NHTT)

Mr Michael Iyambo
Chair

There are 34 members from the horticulture sector serving on the NHTT. During the period under review, the NHTT had 3 meetings. The dates are 3 July 2012, 10 October 2012 and 19 February 2013.

National Maize and Wheat Advisory Committee (NMWAC)

Mr Hannes Grobbelaar
Chair

The NMWAC consists of 8 members and held three meetings during the period under review; on 7 June 2012, 4 October 2012 and 18 February 2013.

NAMIBIAN AGRONOMIC BOARD AND ITS ADVISORY STRUCTURE

NAMIBIAN AGRONOMIC BOARD (NAB)

Deliberates and takes decisions in terms of the Agronomic Industry Act with regard to policy, financial and regulatory matters referred here from the commodity advisory committees (via the OAC or the FMAC) for final resolution and implementation.

OVERALL ADVISORY COMMITTEE (OAC)

Refers, advises and makes recommendations with regard to decisions to be taken on financial, policy or regulatory matters as proposed via the commodity advisory committees.

FINANCIAL MANAGEMENT ADVISORY COMMITTEE (FMAC)

Advises the NAB on matters relating to the financial reporting process, internal financial control, audits, financial risks and financial proposals from commodity advisory committees.

Advises on HR and Corporate Governance issues.

COMMODITY ADVISORY COMMITTEES

NHAC: National Horticulture Advisory Committee
NMAC: National Mahangu Advisory Committee
NMWAC: National Maize and Wheat Advisory Committee

EXTERNAL ORGANISATIONS

NATFP: Namibia Association of Traders in Fresh Produce
NAHOP: National Association of Horticulture Producers
NMMPA: Northern Mahangu Millers and Producers Association
NNFU: Namibia National Farmers Union
APA: Agronomy Producers Association
NGPA: Namibia Grain Processors Association
MAWF: Ministry of Agriculture, Water and Forestry

NHAC | NMAC | NMWAC

Takes decisions regarding day-to-day operational and administrative issues that do not fall under the jurisdiction of the Act or, do not need a Board resolution.

NATFP	NMPA	APA
NAHOP	NNFU	NGPA
POPA	MAWF	NAU
MAWF		MAWF

Back row Standing from left: John Haushiku Thighuru (Board Member); Dawid de Klerk (Board Member); Mubusisi Mabuku (Commodity Horticulture Manager); Elizabeth Hilger (Board Member); Petrus Uugwanga (Board Member); Leon Nel (Resource Person); Christof Brock (CEO); Gernot Eggert (Resource Person); Ian Collard (Resource Person); Sister Magda Shetunyenga (Board Member); Hannes Grobbelaar (Board Member); Lungameni Lukas (Commodity Mahangu Manager); Sylvanus Naunyango (Board Member);
Front row sitting from left: Kaarina Amutenya (Board Member); Pastor Matthias Semi (Board Member); Elina Kalundu (Board Member); Sirkka Iileka (Deputy Chair); Barbara Snyders (Financial Manager); Antoinette Venter (Administrative Manager); Kobus van Graan (Chair); Virginia Kayimbi (Board Member); Michael Iyambo (Resource Person); Rev Ananias Iita (Resource Person)

2. NAB ADMINISTRATION

2.1 Report from the CEO

One of the bigger changes during the year under review was the appointment of the new Permanent Secretary in the line Ministry, the Ministry of Agriculture, Water and Forestry, Mr Joseph Iita, who replaced Mr Andrew Ndishishi. The decisions taken by the new PS have proved to be effective during the various challenges of his first year.

For the year under review, the Board, and indeed the nation, can proudly announce yet another record harvest of 72 438 tons of white maize in direct succession to the record harvest of 63 228 tons of the previous year. This signifies a substantial increase of another 15% over the previous record harvest. A previous milestone harvest was in 2004 when the total had been 55 935 tons. When compared with the averages of the 14 years prior to 2004, the true magnitude of the tremendous improvement - more than trebling production - becomes clear. The total consumption (grain formally traded) of white maize hovers around 120 000 tons per year, showing that the domestic production has, for the first time, now reached the 60% mark of domestic consumption.

The hectares planted under agronomic crops at the Government Green Scheme Irrigation Projects, have increased steadily and contributed to the improved total harvest. The rain-fed harvest still constitutes just over 50% of the total yield. Above all, the Board's tried and tested marketing mechanism that creates an environment that is conducive to growing and processing crops in Namibia, gives producers the confidence to plan and to actually plant more.

Unfortunately, the outlook for the coming rain-fed harvest looks very bleak indeed and it is expected that a disaster drought will be declared. While this will be tragic for the rain-fed producers, who will lose most of their household food security, we trust that our caring Government will provide targeted food aid for such families. However, for national food security, this has little impact. Whether Namibian millers will have to import 60 000 tons or 120 000 tons from RSA (or Zambia if they will allow exports) from a maize harvest of over 11 million tons, will make a marginal difference and will in no way compromise Namibia's national food security. The stocks in the GRN Strategic Reserve Silos should also partially reduce the need for increased imports.

Even wheat production has seen a record year of almost 15 000 tons signifying just under 20% of our average national consumption of 80 000 tons. Wheat is cultivated under irrigation in Namibia.

Horticultural production has also seen positive increases during the year, with the gross national import substitution rate now at 39% from a mere 5% some eight years ago. The Board has identified potatoes and onions as the two crops with the highest potential for increased national production. Therefore the Board, with the Ministry's concurrence, has agreed to implement a "Special Potato and Onion Scheme" which, in combination with the Namibian Market Share Promotion (MSP), should provide a 100% secure marketing environment for those two commodities. The coming year should allow us to harvest the fruits of this new scheme. Once we have streamlined the implementation of this new scheme for potatoes and onions, we will consider adding additional horticultural commodities such as tomatoes and carrots.

The NAB is looking forward to the boost in decentralised marketing of fresh produce through the imminent completion and efficient management of the two new horticultural fresh produce hubs in Ongwediva and Rundu.

While it has been a good production year for mahangu (pearl millet), the quantity of mahangu formally marketed remained constant at under 1 000 tons. About two-thirds of that was purchased in a decentralised way at the Agricultural Development Centres by the NAB for the Strategic Reserves Silos of the Government of the Republic of Namibia.

Following the Honourable Minister's suggestion that the NAB open mahangu offices in the remaining two major mahangu regions, we recruited two additional Regional Mahangu Officers with clerical assistants for the Ohangwena and the Oshikoto Regions with gratefully received financial assistance from the Ministry.

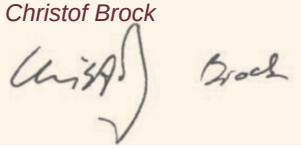
The Honourable Minister formally launched newly developed mahangu biscuits during the annual National Mahangu Festival held in Eenhana and it is sincerely hoped that this unique product will have substantial marketing and customer satisfaction during the next year.

Regrettably, due to dwindling opportunities to implement new development projects, the NAB had no choice but to close down its Development Projects Division. The few remaining projects, mainly in silo construction for the MAWF and in the R&D of phosphate fertiliser extraction from mine tailings (with NAB reserve funding), had to be shared within the Board's Secretariat. New projects are envisaged especially with the rolling out of the "integrated value chain promotion of cowpeas" initiative.

I am proud to state that our Board meetings and its various focussed advisory committees continue to function efficiently and effectively under the exemplary hand of our Chair, Kobus van Graan and other Board members who chair Advisory Committees.

I wish to thank all Namibian producers, processors and traders of agronomic produce, the Honourable Minister of Agriculture, Water and Forestry and his team, the Chair and Vice-Chair and members of the Board, my colleagues at the Board's Secretariat for their enthusiastic and wise support to the agronomic industry as a whole both to the NAB, and to me in particular. With the certainty of such further support I look forward to the challenges of the coming year.

Christof Brock



2.2 Functions of the NAB Secretariat

The Secretariat is the financial, administrative and operational mechanism of the NAB and fulfils the following main functions:

- Facilitating the marketing of controlled agronomic crops and regulating the market environment;
- Promoting domestically produced agronomic crops and fostering and improving the market for all declared crops and products thereof;
- Maintaining a regulatory framework for controlled crops and their products, recommending crops for gazetting, maintaining quality standards and the monitoring of controlled agronomic crops and their products;
- Managing the domestic trade environment and facilitating the development of grain and horticultural markets to ensure that its clients are not exposed to unfair trading practices;
- Developing projects and sources of funding to enhance small-scale agronomic production and marketing;
- Managing project funds on behalf of government; and,
- Making recommendations to and advising the Ministry of Agriculture, Water and Forestry (MAWF) on all issues relating to the agronomic industry.

The functions and activities of the Secretariat are funded by levies payable from the production and processing (milling) of controlled crops.

- White maize and wheat producers pay a levy of 1.4% per ton of which:

  0.9% is utilised for the Board's operations; and,
  0.5% is paid over to producers' organisations.

- White maize and wheat processors pay a levy of 0.95% per ton of which:

  0.9% is utilised for the Board's operations; and,
  0.05% is paid over to the millers' association.

- Mahangu producers pay a levy of 1.4% per ton of which:

  0.9% finances the NAB's operations and activities; and,
  0.5% is paid over to producers' organisations.

- Mahangu processors pay a levy of 0.95% per ton of which:

  0.9% finances the NAB's operations and activities; and,
  0.05% is paid over to the millers' association.

- Horticulture producers pay a levy of 1.4 % calculated on the trading value of their produce:

  For the financing of the operations and activities of the NAB; and,
  A calculated amount paid over to producer associations.

- Horticulture importers pay a levy of 1.4 % calculated on the import value:

  For the financing of the operations and activities of the NAB; and,
  A calculated amount paid over to the trader association.

SECRETARIAT

NAB BOARD

CEO

Christof Brock

ADMINISTRATION MANAGER

Antoinette Venter

NATIONAL MAHANGU MANAGER

Lungameni Lucas

NATIONAL HORTICULTURE MANAGER

Mubusisi Mabuku

FINANCIAL MANAGER

Barbara Snyders

REGIONAL MO OSHANA

Suoma Kashima

REGIONAL MO KAVANGO

Chrisantus Kamaghoko

REGIONAL MO CAPRIVI

James Masule Walubita

REGIONAL MO OSHIKOTO

Stephen Iimbili

REGIONAL MO OMUSATI

Sakeus Enkono

REGIONAL MO OHANGWENA

Peneyambeko Festus

SPECIAL HORTICULTURE COMMODITIES OFFICER

Gilbert Mulonda

CHIEF INSPECTOR

Ludwig Araëb

ACCOUNTANT

Claudeen Brinkmann

NAB ADMINISTRATOR

Morné Labuschagne

OFFICE ADMINISTRATOR

Joy Hanixas

GRAIN ADMINISTRATOR

Hileni Dawid

CLERICAL ASSISTANTS

ADMINISTRATIVE ASSISTANT

Petra Hanze

CAPRIVI

Viola Ntemwa

OSHANA

Aletta Nelenge

KAVANGO

Natalia Kapitango

OSHIKOTO

Martha Kandenge

OMUSATI

Nelago Shilongo

OHANGWENA

Frieda Shailemo

ADMINISTRATIVE ASSISTANT

Albertine Pashe

ACCOUNTANT CLERK

Yolande Taljaard

SENIOR ACCOUNTANT

Inge Husselmann

DEBTORS CLERK

Charmaine Tshekuzah

DATA CAPTURER

Sindano Iipinge

PART TIME DATA VERIFIER

Selma Uahengo

MESSENGER / DRIVER

Jeremia Albertino

CLEANER / OFFICE ASSISTANT

Lydia Keramin

Mahangu fields.

3. CONTROLLED CROPS AND DEVELOPMENT PROJECTS

3.1 Mahangu

In order to expand and promote the commercialisation of mahangu, the Mahangu Marketing Plan (MMP) 2010-2013 continues to be implemented by the NAB in partnership with the Ministry of Agriculture, Water and Forestry (MAWF) and other stakeholders through the National Mahangu Advisory Committee (NMAC). The aim of the MMP 2010-2013 is to increase surplus mahangu marketing by establishing marketing points closer to the mahangu producers and also to train farmers on business and production economics. A total number of 1422 farmers were trained in business and production economics since the inception of the MMP 2010-2013.

New Mahangu Staff

The Honourable Minister Mutorwa suggested that each main mahangu producing region have its own Regional Mahangu Officer with an assistant. The MAWF allocated funds in December 2012 to employ two Regional Mahangu Officers and two assistants in the Ohangwena and Omusati regions. The new mahangu regional staff assumed duty on Monday, 4 March 2013.

Mahangu Product Development: Mahangu Cookies

The MAWF, together with NAB and GB Enterprises, embarked on the development of mahangu products to increase the use of mahangu, better known as pearl millet. GB Enterprises, an SME situated in Rehoboth, developed 4 types of cookies using mahangu as the main ingredient. The Honourable Mutorwa launched the cookies at the National Mahangu Festival on the 1 September 2012 in Eenhana, Ohangwena region.

Mahangu Production and Marketing

During the period under review, there was an increase in the quantity of mahangu marketed, compared with the same period during 2011. The quantity of mahangu imported has also increased tremendously, showing an increased demand in the domestic market. The strategic food reserves have also created a new market for mahangu, pushing up the demand in the local market. Table 3.1.1 is a summary of mahangu hectares planted, harvested and marketed locally, as well as imported mahangu.

The Honourable John Mutorwa, Minister of Agriculture, Water and Forestry launches the mahangu cookies at Oshipe on 1 September 2012.

Mahangu Price Agreement

The Mahangu Price Agreement is made between organised mahangu (pearl millet) producers and organised mahangu millers to safeguard an orderly marketing environment in order

to stimulate additional production and marketing of mahangu.

This historic event, where organised producers and millers reached and signed the agreement for the floor price of mahangu for 2013 took place on 15th February 2013 in Ongwediva. The occasion saw the mahangu producer floor price de-linked from that of white maize and the mahangu producer floor price will from now on be based on mahangu production input cost. The new mahangu producer floor price for 2013 is N$3.50 per kg. This is based on a production cost of N$3,504/ha for mahangu and is adjusted by the NAB annually on 1 October with inflation on input costs.

Mahangu Levies

Mahangu Producer and Processor Levies as gazetted in Government Gazette No. 4047 under section 18(1) of the Agronomic Industry Act 1992, escalates by 0.20% each year and has now reached the ceiling (maximum). The mahangu producer levy for the period under review is 1.4% per ton for grain marketed and the processor levy is 0.95% per ton milled on the floor price, which is the same as for the other 2 controlled grains, white maize and wheat.

Table 3.1.1: *Summary of mahangu planted, harvest, imported, marketed locally and producer price.*

Financial Year	Estimated area planted (ha)*	Actual planted area (ha)*	Estimated production (t)*	Actual production (t)*	Imports (t)**	Production marketed locally (t)**	Floor Price per ton (N$/t)***
2006 – 2007	167, 600	194,788	58, 852	44,450	No data available	825	N$ 1, 780
2007 – 2008	188, 989	186,197	37, 279	35,512	No data available	512	N$ 1, 900
2008 – 2009	167, 000	257,735	37, 300	37,301	2, 185	462	N$ 1, 948
2009 -2010	281, 065	264,436	35, 512	73,272	3,336	996	N$ 2, 699
2010 – 2011	264, 691	270,135	41,166	41,166	1, 034	991	N$ 2,668
2011- 2012	262,085	255,456	55,945	55,900	1,860	955	N$ 2,872
2012 -2013	213,635	No data available	33,038	24,700	3,863	1136	N$ 3,041

* Information received from the Namibian Crop and Food Supply Situation Report, MAWF
** NAB statistics
*** The same producer floor price as for white maize

3.2 Wheat

In a summer rainfall country such as Namibia, this crop can only be planted under irrigation during the winter months and after maize has been harvested in June and July each year.

Table 3.2.1: *Wheat production and marketing per area.*

Production areas	Hectares planted: Jun - July 2012	Total tonnage marketed: 31 March 2013
Hardap Irrigation Project	1 310	9 875
Maize triangle and environs	186	808
North Central Areas: NCRs and Kavango Region	818	4 136
Total	**2 314**	**14 819**

Wheat is produced:

- At Government projects in the Kavango Region at Musese, Mashare, Shadikongoro, Uvungu-Vungu, Sikondo and Ndonga Lilena;
- At Etunda, the irrigation project in the Omusati Region in the North Central Regions (NCRs);
- At the Hardap Irrigation Project near Mariental; and,
- By a small number of irrigation farmers in the Maize Triangle.

Wheat is marketed:

Wheat is marketed in terms of the agreement signed between processors and producers. The agreements also make provision for the wheat floor price that is based on the following principles:

- SAFEX 5-year average or the average of the October SAFEX spot price, whichever is highest.
- 30% import parity ex South Africa and 70% import parity via Walvis Bay, landed in Windhoek.

Formula A:

1. 30% of the five-year average (adjusted for inflation) of the actual SAFEX spot price, plus the transport differential from Upington to Windhoek, and
2. 70% of the five-year average (adjusted for inflation) Hard Red Winter (HRW) import parity price from the United States and the Rand/US Dollar exchange rate, plus the transport via Walvis Bay to Windhoek.

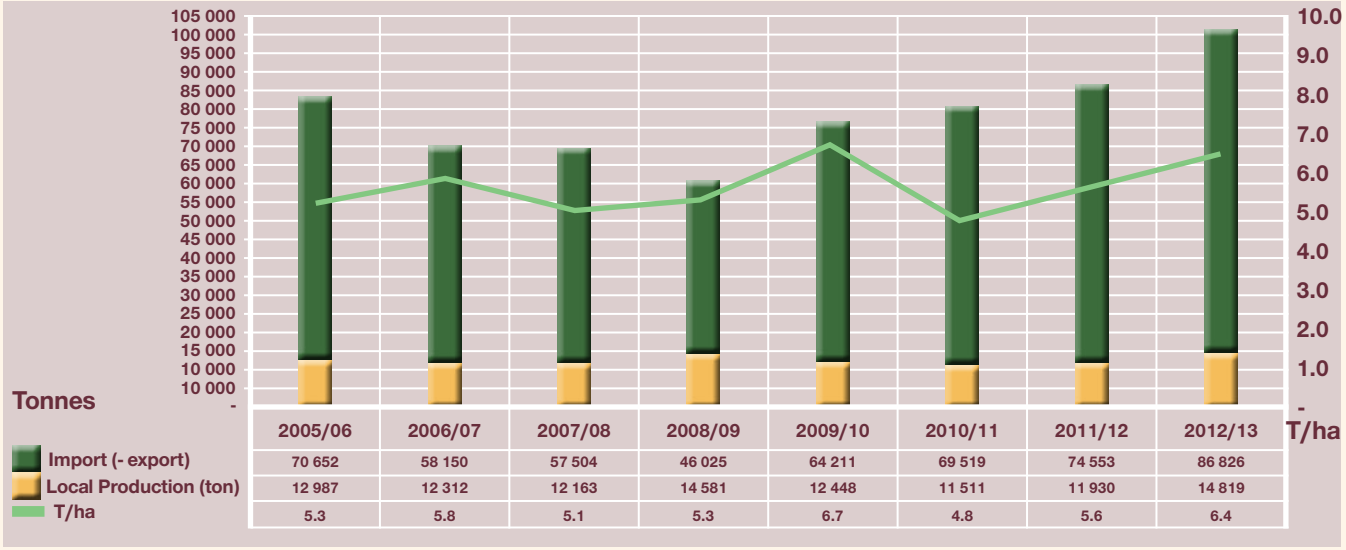
Formula B:

Within the first week of November each year, a price will be determined based on the following:

1. 30% of the average of the actual SAFEX spot price for October, plus the transport differential from Upington to Windhoek (as set out in formula A.1. above), and
2. 70% of the average HRW import parity price from the US and the Rand/US$ exchange for October, plus the transport via Walvis Bay to Windhoek (as set out in formula B.1. above).

In terms of formula A and B, the B option was the higher of the two prices and served as the floor fixed price of N$ 3,947.95 per ton.

Although Namibia is still a net importer of staple grain, white maize production showed a substantial increase over the past few years.



Graph 3.2.1: *Wheat: Local production, net import and grain consumption.*

3.3 White maize

White maize and mahangu are the staple grains in Namibia and are grown exclusively for human consumption.

White maize is produced:

- The Maize Triangle situated between Otavi, Tsumeb and Grootfontein in the northern part of the country under rain-fed conditions and under irrigation;
- The Summerdown and Hochfeld areas in the eastern part of the country also under rain-fed conditions and under irrigation;
- The Kavango at the Government Irrigation Projects such as Musese, Ndonga Lilena, Uvungu-Vungu, Mashare, Shadikongoro, Shitemo and Sikondo;
- The NCR at Etunda in the Omusati Region, another Government irrigation project;
- Hardap Irrigation Project near Mariental in the southern part of the country; and,
- The Caprivi Region.

Table 3.3.1: *White maize: hectares planted, local production, producer prices, imports, exports and total consumption.*

Financial year	Area planted (ha)	Local production (t)	Grain imports (t)**	Flour exports (t)*	Flour exports in equivalent of grain (t)*	Netto domestic consumption (t)	Floor price (N$/t)
2005 - 2006	2 435	12 987	73 411	3 065	2 759	83 639	1 851.00
2006 - 2007	2 136	12 312	58 227	85	77	70 462	1 855.18
2007 - 2008	2 369	12 163	61 665	4 623	4 161	69 667	3 065.90
2008 - 2009	2 734	14 581	51 014	5 543	4 989	60 606	3 466.07
2009 - 2010	1 852	12 448	64 661	500	450	76 659	2 716.35
2010 - 2011	2 389	11 511	69 519	-	-	81 030	2 699.74
2011 - 2012	2 136	11 930	84 543	11 100	9 990	86 483	3 138.49
2012 - 2013	2 314	14 819	87 726	1 000	900	101 645	3 947.95

* Wheaten flour exported:
Exported tonnage of flour = approximately 25 % to equal tonnage of unmilled grain for the calculation of a realistic total consumption.
** Import/export information (volumes) based on border receipts and permits issued. Imports via Walvis Bay only based on permits issued.
*** The same producer floor price as for white maize

Table 3.3.2: *White maize planted (in 2011) and marketed (2012) in the 2011 - 2012 production/marketing cycle.*

Production areas	Main harvest: 2012			
	Dry-land		Irrigation	
	* Planted (ha) Nov 11 - Jan 12	Marketed (t) May 12 - Nov 12	* Planted (ha) Nov 11 - Dec 11	Marketed (t) May 12 - Nov 11
Caprivi Region	No accurate data available	5 825		
Central and eastern areas	1 680	5 791	20	373
Hardap Irrigation Project & environs			1 327	12 588
Kavango Region			1 832	11 291
Maize triangle and environs	9 459	25 109	1 027	10 108
Omusati Region and environs			470	1 623
Total	***11 139**	**36 725**	***4 676**	**35 712**

* Planted in the previous reporting period (Annual Report)

Table 3.3.3: *White Maize: Historic marketed production within the financial year: Closed-border & second harvesting periods.*

Financial year (1 April until 31 March the following year)	White maize marketed (t)			
	Dry-land (Main harvest) (ha) *	Irrigation (Main harvest) (ha)	Irrigation (Second harvest of previous year) (ha)	Total (t)
2004 - 2005	29 526	20 272	6 137	**55 935**
2005 - 2006	16 622	22 601	5 14 2	**44 365**
2006 - 2007	24 931	23 619	4 746	**53 296**
2007 - 2008	14 530	27 605	2 507	**44 642**
2008 - 2009	22 954**	25 883	1 651	**51 832****
2009 - 2010	23 728	24 103	1 735	**49 566**
2010 - 2011	20 045	27 414	502	**47 961**
2011 - 2012	36 528	26 700	225	**63 228**
2012 - 2013	36 725	35 712	-	**72 438**

* Excludes hectares planted on small-scale farms in the Caprivi.
Note: The above hectares planted within a certain financial year, will result in the volumes marketed within the following financial year and thus reporting period.

White maize is planted:

A favourable rainy season contributed to a record local production of 72,438 tons of white maize, from a total of 15,815 hectares planted under irrigation and rain-fed conditions respectively. The average rain-fed yield was 3.3 ton/ha and irrigation farms yielded an average of approximately 7.6 ton/ha.

The white maize marketing period commences on 1 May each year. Since Namibian millers have an obligation towards the domestic harvest, the Namibian borders officially close for the importation of white maize on 1 May. The major volume of the local harvest is not necessarily available in early May, and therefore, millers are allowed to import a two or three week stock need until such time that the harvest becomes available. The borders only open once the entire Namibian harvest is bought and partially milled, which was on 14 November 2012.

White maize is marketed:

Within the main marketing period that commences on 1 May, white maize is sold according to the staggered floor-price formula as mutually agreed upon by the producers represented by the Agronomy Producers Association (APA) and the Likwama Farmers Union (LFU), and the millers represented by the Namibian Grain Processors' Association (NGPA).

The Maize Marketing Agreement makes provision for orderly marketing arrangements and a minimum guaranteed reference price (floor price), based on a five year average of the South African SAFEX (South African Futures Exchange), adjusted backwards with inflation.

Table 3.3.4: *White maize total hectares planted and total volumes marketed.*

Main harvest: 2012	Dry-land	Irrigation	Total
Total hectares planted: Nov 2011 - Jan 2012	11 139	4 676	**15 815**
Total volumes marketed (t): 1 May 2012 - Nov 2012	36 725	35 712	**72 438**

Note:The white maize production and marketing season does not coincide with the NAB financial year and therefore, the reporting period of this report. The above hectares planted were reported in the previous Annual Report.

The SAFEX component of the maize price (the five-year average), was N$1 919/ton. The floor price for white maize delivered at mill-door north of Otiwarongo, was N$2 998/ton, and the floor price for white maize delivered at mill-door south of Otjiwarongo, was N$ 2 898/ton. These prices included a GMO-free premium of N$154.00, a calculation of 8% on the SAFEX component of the price.

Table 3.3.5: *Financial year: White maize planted and production (on previous plantings) within the reporting period.*

Financial year: 1 April 2012 – 31 March 2013	Dry-land	Irrigation	Total
Hectares planted (ha): Nov 2012 - Feb 2013 (excluded dry-land small-scale plantings in the Caprivi)	9 914	3 981	**13 895**
Marketed production (t): May 2012 - Nov 2012 (included small scale harvests in the Caprivi)	36 725	35 712	**72 438**

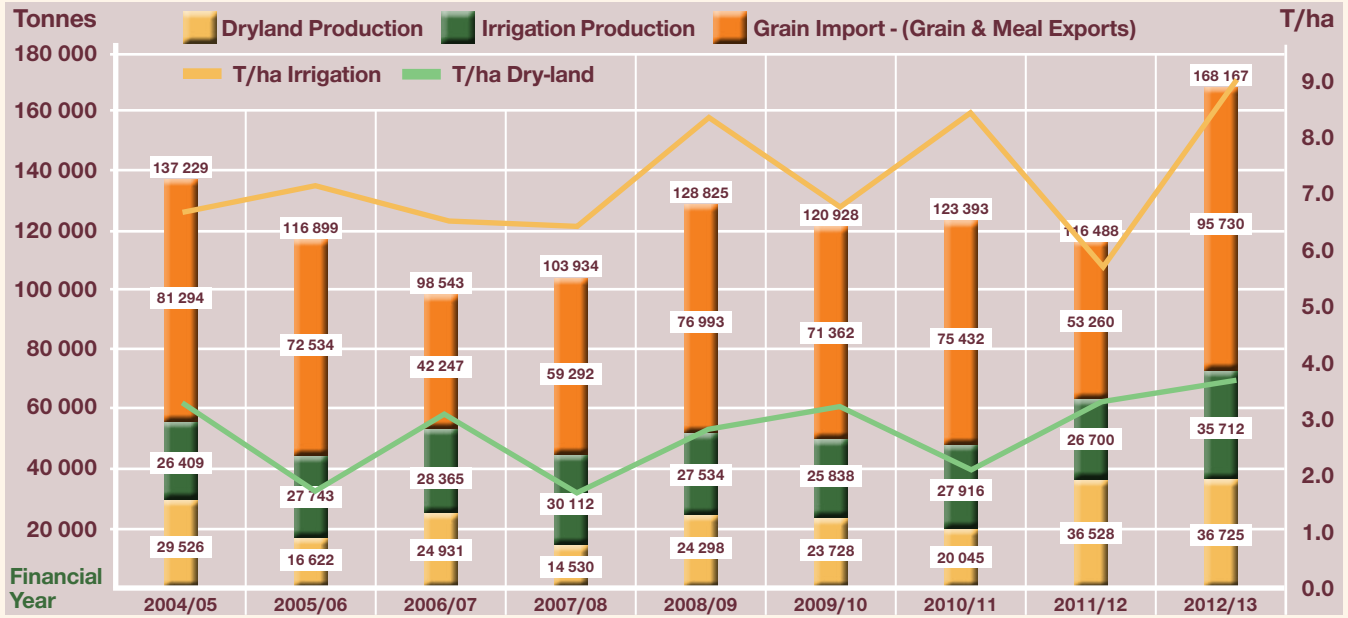
Note: The above marketed production of 72 438 tons, was not harvested from the indicated (13 895) hectares planted, but from previous reporting period's hectares of 15 815, planted in Nov 2011 – Jan 2012 (See table).

Table 3.3.6: White maize: Historic hectares planted for the main harvesting (closed-border) period & second harvest: Whole financial year.

Financial year (1 April until 31 March the following year)	White maize planted (ha): Planted from Nov/Dec until Jan/Feb the next year			
	Dry-land (Main harvest) (ha) *	Irrigation (Main harvest) (ha)	Irrigation (Second harvest of previous year) (ha)	Total area planted (ha)
2004 - 2005	9 084	3 028	929	**13 041**
2005 - 2006	9 606	3 158	731	**13 495**
2006 - 2007	8 223	3 699	660	**12 582**
2007 - 2008	8 664	3 867	815	**13 346**
2008 - 2009	8 750	2 981	337	**12 068**
2009 - 2010	7 476	3 708	116	**11 300**
2010 - 2011	9 697	3 190	139	**12 500**
2011 - 2012	11 139	4 656	45	**15 840**
2012 - 2013	9 914	3 981	-	**13 895**

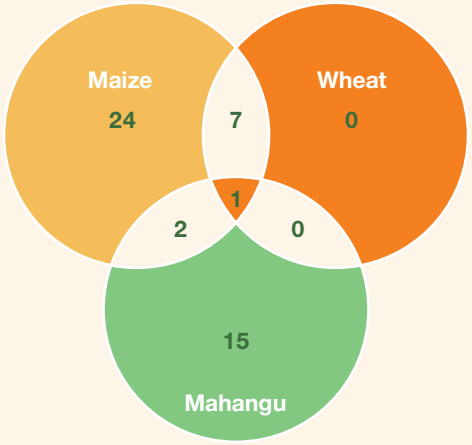
* Excludes hectares planted on small-scale farms in the Caprivi.
Note: The above hectares planted within a certain financial year, will result in the volumes marketed within the following financial year and thus reporting period.

Miller in the North Central Regions.



Graph 3.3.1: *Domestic Consumption (White maize).*

Registered processors milling white maize, wheat and mahangu



There are a total number of 39 registered Namibian millers. During the period under review, 5 mahangu mills and 2 white maize mills have deregistered whilst 1 new mahangu mill registered with the NAB.

Dryland White Maize field.

Table 3.3.7: *White maize: Local production, imports, exports, total consumption and prices within the financial year.*

Financial year	Local production (t)	Grain imports (t)	Grain exports (t)	Meal exports (t)*	Meal exports in equivalent of grain (t)*	Netto domestic consumption (t)	Floor prices (N$/t) **
2004 - 2005	55 935	87 434	5 960	200	180	137 229	1 755.00
2005 - 2006	44 365	76 534	4 000	-		116 899	1 824.00
2006 - 2007	53 296	48 247	3 000	-		98 543	1 760.00
2007 - 2008	44 642	60 141	300	610	549	103 934	2 006.16
2008 - 2009	51 832	111 714	3 150	35 078	31 571	128 825	2 030.93
2009 - 2010	49 566	83 903	230	13 678	12 311	120 928	2 780.49
2010 - 2011	47 961	81,111	-	6 309	5 679	123 393	2 614.00
2011 - 2012	63 228	55 305	72	2 192	1 973	116 488	2 831.37
2012 - 2013	72 438	105 742	-	11 124	10 012	168 168	2 998.00

* Maize meal exported: Exported meal tonnage approximately 10% less than un-milled grain, to conclude a realistic total consumption.
** Prices: Delivered to a mill north of Otjiwarongo.

Table 3.3.8: *Registered processors milling white maize, yellow maize and wheat and mahangu.*

Grain milled by registered processors		Millers registered to mill two or more of the following grain commodities		
White maize only	24	White maize and wheat	White maize and mahangu	White maize, wheat and mahangu
Mahangu only	15	7	2	1
Wheat only	0			
Total number of millers	**39**			

* Maize meal exported: Exported meal tonnage approximately 10% less than un-milled grain, to conclude a realistic total consumption.
** Prices: Delivered to a mill north of Otjiwarongo.

White Maize crop under irrigation

3.4 Horticulture fresh produce

Namibian Market Share Promotion (MSP)

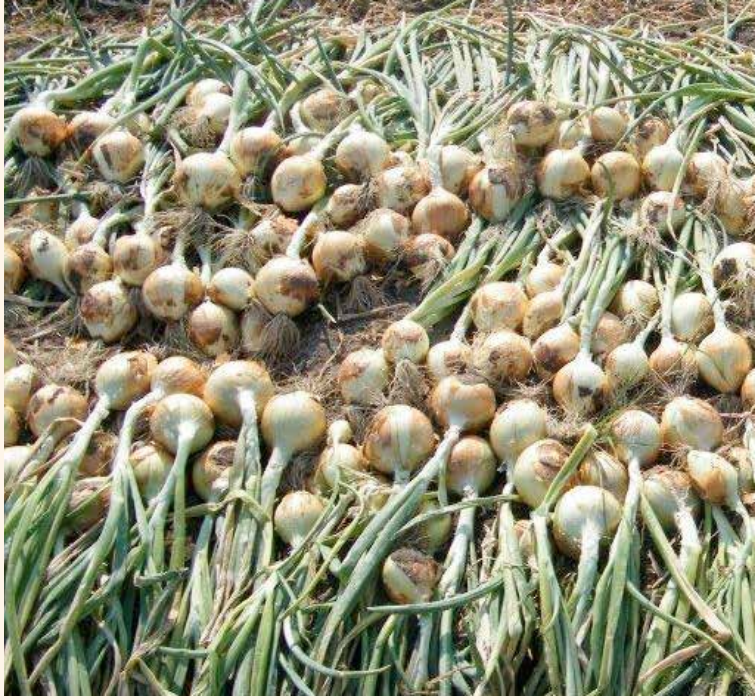
The reporting period witnessed one of the driest seasons due to below average rainfall experienced countrywide. These conditions led to extreme heat-wave conditions which resulted in reduced local production. The Namibian Market Share Promotion (MSP), requires all importers of horticulture fresh produce to buy a minimum percentage of produce cultivated in Namibia in a given quarter or risk having their imports curtailed, pro rata, in the subsequent quarter. Initially, this compulsory percentage was 5%, but over the years this has increased by mutual consensus, to its current 39% as shown in graph 3.4.2. It is estimated that this percentage could increase to up to 60% in the longer term and signals the potential of increasing local production in the horticulture industry. The MSP can realistically be raised to only 60% due to seasonality and given that a sizable number of fresh produce commodities cannot be produced in Namibia.

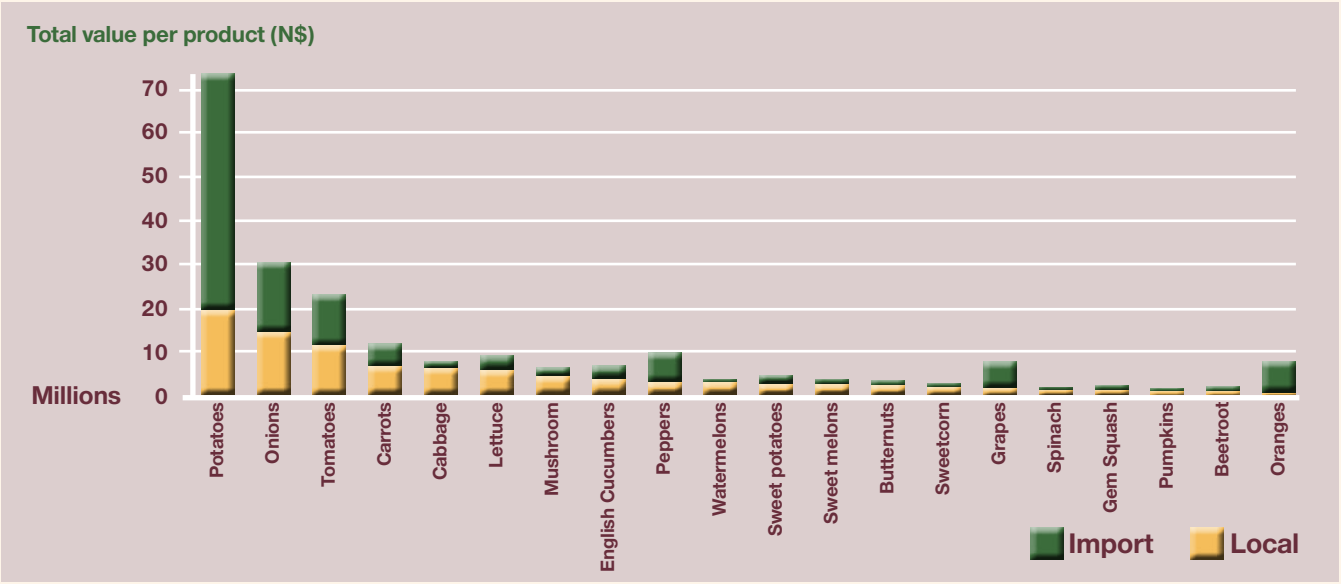
The MSP was increased from 37.5% in the previous financial year to 39% in the current financial year because of increased local production. However, it was agreed in the National Horticulture Task Team (NHTT) meeting held in October 2012 that the MSP should only increase through scientifically proven methods. In other words, the MSP should be guided by envisaged production anticipated to be available in the market. The development of scientific MSP calculation is ongoing and expected to be completed in the next financial year. Graph 3.4.1 shows the comparison of the top 20 local fresh horticultural produce value against import value. This signifies that more fresh produce has been bought from the local producers as encouraged by MSP.

Horticulture production continued its steady upward trajectory in 2012/13 as indicated in graph 3.4.2. Production growth was driven by increased demand for fresh fruits and vegetables from traders and the favourable marketing environment for local producers through the MSP. As part of the MSP, the increase was also attributed to the Secretariat's effort to lobby for pre-planting arrangements between producers and traders.

New Horticulture Data Base

In 2011, the NAB initiated the development of a comprehensive database of what horticulture fresh produce is imported and what is produced locally. In the past, all imports were entered into the database by value and weight of crop while for locally produced crops, an unscientific estimate of crop was recorded with no pricing records. Now for the first time, the NAB is able to compare price and weight per crop equally for imports and well as for domestic production formula as mutually agreed upon by the producers.





Graph 3.4.1: *Top 20 local horticultural produce versus imports in Namibian Dollars (N$) (April 2012 to March 2013).*

Special Potato and Onion Scheme

Potatoes and onions are commodities that are most frequently imported and consumed in Namibia. They also have the greatest potential for increased domestic production for import substitution. In order to stimulate potato and onion production in Namibia and to promote domestic sales of Namibian produced potatoes & onions, the NAB, encouraged by the Potato & Onion Industry, agreed to introduce the Potato and Onion Scheme, whereby wholesalers, retailers and catering companies are encouraged to source their produce locally.

The effective implementation of the Potato and Onion Scheme necessitated a Special Horticulture Commodity Officer to focus on this project full-time and Mr. Gilbert Mulonda was employed to closely monitor and drive the Scheme.

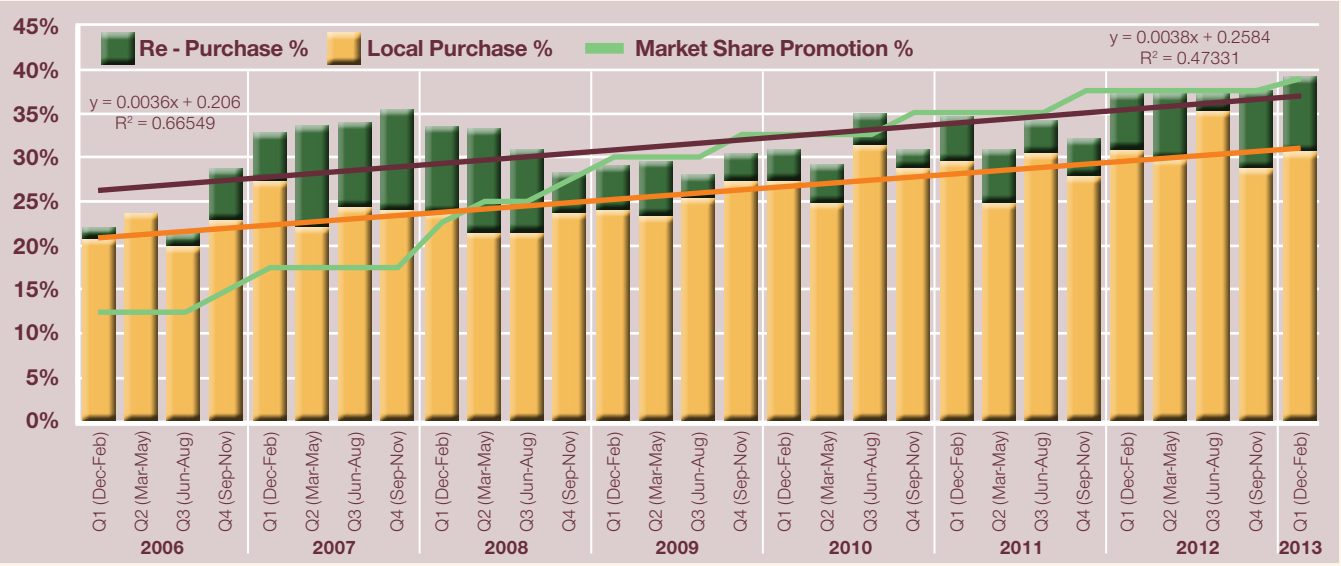


Figure 3.4.2. *Local Purchase Percentage by Value (Q1 2006 – Q1 2013).*

Under the Scheme, traders will have to follow the Namibian Horticulture Market Share Promotion (MSP) Rules and Regulations, specifically the basis of restriction on imports which is quoted as, 'All importers will be obliged to source a minimum percentage of their purchases from local producers of fresh fruit and vegetables'. The employment of the Special Horticulture Commodity Officer has ensured the monitoring of local production of potatoes and onions throughout the country.

It is important to note, however, that the Memorandum of Agreement of Potato and Onion Scheme between the Potato and Onion Producer's Association (POPA) and the Namibian Association of Traders in Fresh Produce is envisaged to be signed in the next financial year. The proposed objectives of the agreement are five-fold:

1. To provide marketing assurance to the local potato and onion industry;

2. To provide a consistent and continued availability of potatoes and onions in the Namibian market and specifically in the retail market on a short and long term sustainability basis;

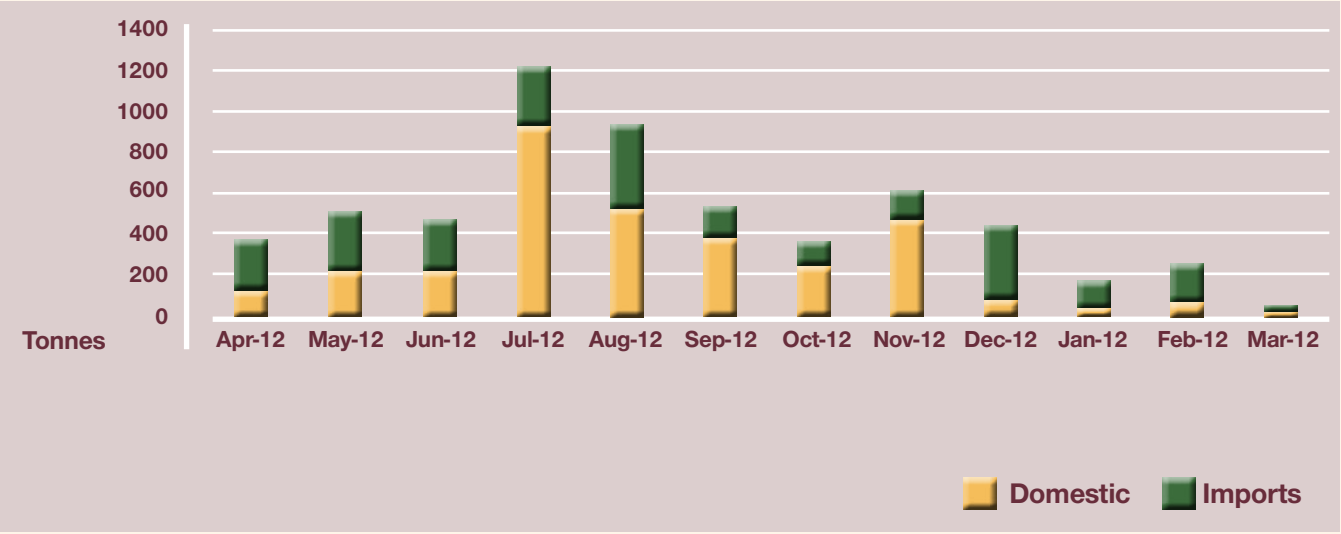
3. To stimulate potato and onion production in Namibia and to promote domestic sales of Namibian produced potatoes and onions;

4. To source locally produced potatoes and onions provided that the correct quality, grade and quantity are locally produced; and,

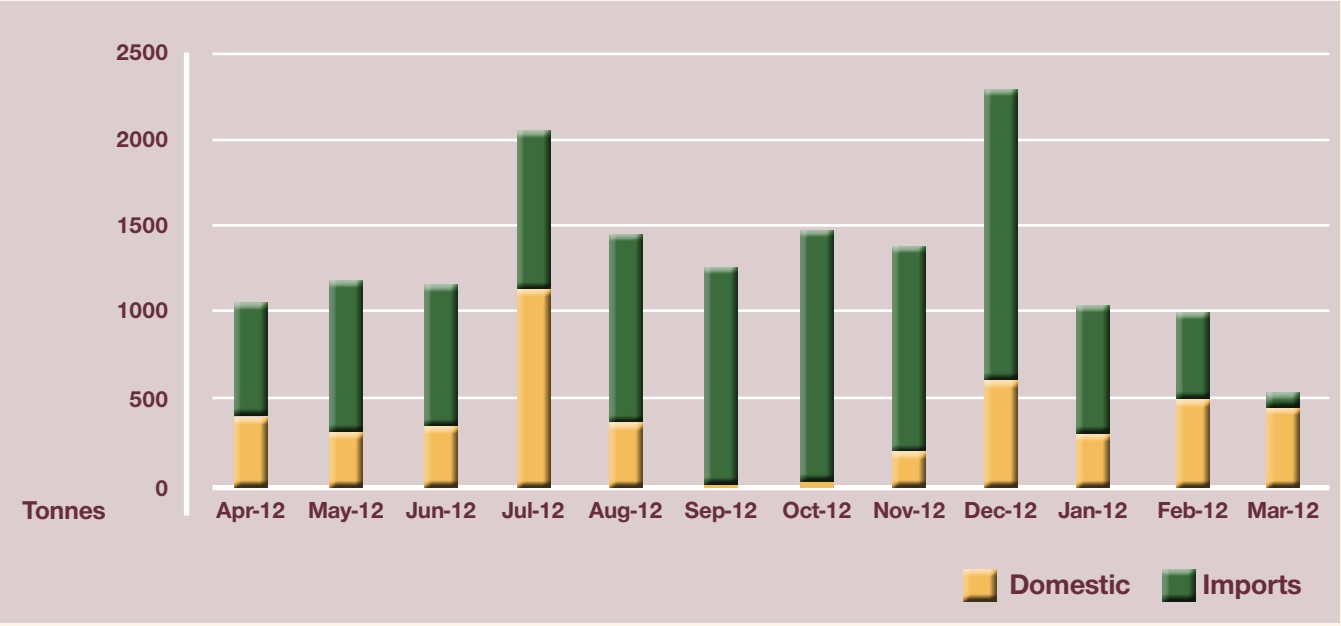
5. To ensure a minimum floor price for landed produce to producers having regard to economic indicators for producers and traders respectively to sustain a viable economic business environment.

In addition to the above, it is also important to note that the successful implementation of the Potato and Onion Scheme will lead to the identification and inclusion of other horticultural commodities. Graphs 3.4.3 & 3.4.4 on page 22 show locally produced versus imported onions and potatoes respectively. Both graphs indicate that local production of onions and potatoes was higher than imported for the period under review, which implies that local production has increased and the successful implementation of the Namibian Market Share Promotion has been achieved.

Cabbage fields at Vashi farm in northern Namibia.



Graph 3.4.3: *shows the comparison of tonnages for local produced versus imported onions for 2012/2013 financial year.*



Graph 3.4.4. *shows the comparison of tonnages for local produced versus imported potatoes for 2012/2013 financial year.*

National Horticulture Day

The National Horticulture Day (NHD) has become a very important day on the NAB's calendar. The hosting of the NHD alternates between winners of the small-scale and large-scale producers. For the year under review, the NHD for 2011/12 was held in Outapi, the place of the winning small-scale producer.

The NHD is held to celebrate horticulture's contribution to the economy from both producers and traders in fresh produce. This is also an opportunity to award winning producers and traders in recognition of their concerted efforts in ensuring increased production of fruits and vegetables.

3.5 Development projects

As it became clear during the year under review that most existing development projects were coming to an end and that no or very few new development projects would be coming to the NAB, the Board had the unenviable task of deciding whether to continue with a largely under occupied, financially unviable, Division of Project Development or to close it down. The Board took the difficult decision and resolved to close the Division. Fortunately the Division was very small, so while the Manager had to be regrettably retrenched, the Project Administrator could be retained, carrying on with the remaining projects while also helping other Divisions with tasks at a similar level.

Phosphate Project

This project is experimenting with extracting superphosphate fertiliser and calcium nitrate from the mine tailings (already ground to powder consistency for their own fluorspar extraction) at the Okorusu Fluorspar Mine near Otjiwarongo. This has been successful at laboratory batch level and now the continuous production process in the pilot plant has to be perfected to prove the commercial viability of the project. Phosphates are a crucial input for agriculture.

The project has reached the stage where further development costs were necessary. Due to this, the Board resolved to allocate an amount of N$750,000 from its reserves. As the line Minister, by law, has to approve all expenditure from the Board's reserves, a submission was made to him to ask for such approval. The NAB was delighted when the Honourable John Mutorwa expressed his interest to do a site visit to this project.

The Honourable Minister John Mutorwa looks on at the pilot study of the superphosphates project at Okorusu Fluorspar Mine.

This visit was hugely successful. The Minister was impressed and expressed his hope that this would lead to commercial production within a few years and gave his approval for the expenditure soon afterwards. The NAB wishes to extend its gratitude to the Management of the Okorusu mine for hosting this project on their premises as part of their social responsibility.

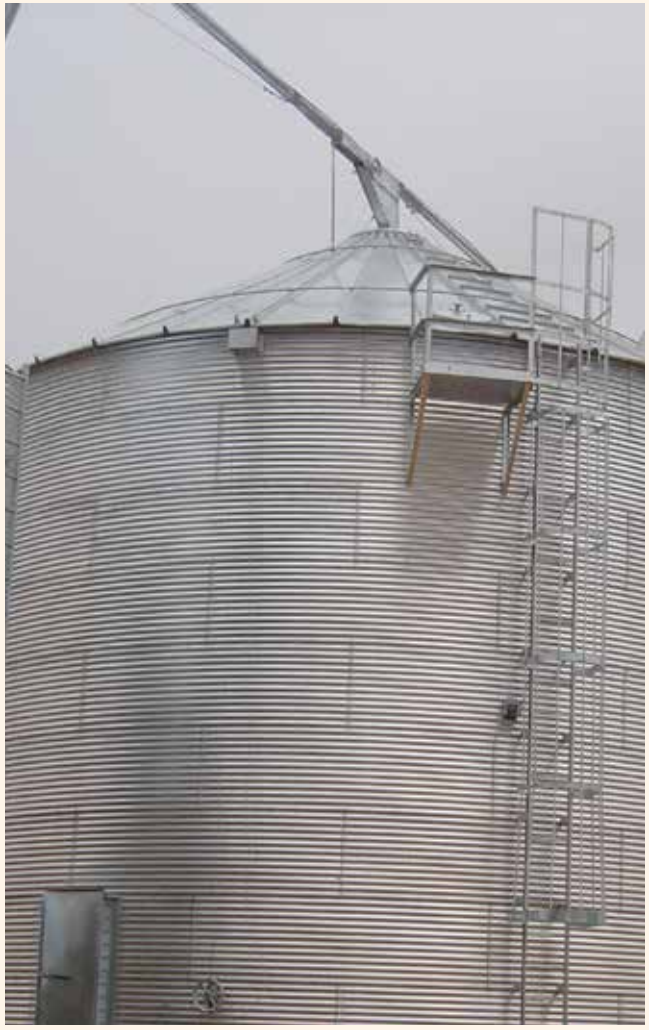
Silo Construction

As before, the NAB has continued acting in the role as an agency for the Ministry of Agriculture, Water and Forestry for the construction of silos for national grain reserves.

During the year, expenditure of N$6,732,675 was achieved mainly on GRN silos for Strategic Reserves in Tsandi in the Omusati Region. Contracts are about to be signed early in the next reporting period for about N$24 million, mainly for further silos and auxiliary buildings at Omuthiya in the Oshikoto Region.

In addition, the NAB has been involved in smaller development expenditure on:

- Mahangu Development Funds, mainly on National Mahangu Consultative Forum and Mahangu Fora;
- The Indigenous Plant Task Team; and
- Horticulture Development.



Silos in northern Namibia.

4. NAB AWARDS

4.1 Mahangu

The National Mahangu Festival/ Oshipe and Mahangu Producer Champion Awards 2012 were held in Eenhana on the 1st Sep-tember 2012. The Honourable John Mutorwa, Minister of MAWF handed over the prizes, trophies and certificates to the winners. He was assisted by the NMAC Chair Ms Sirkka Ileka and the Governors of the various mahangu producing regions. The event was attended by Members of Parliament, Governors of the various mahangu producing regions, Councillors, members of the NAB Board, NMAC members, managers of various sponsors to the event, Traditional Leaders, Farmers Organisations, Mahangu Producers and Millers, MAWF and NAB staff, interested stakeholders and the general public.

Regional Grand Champions & Regional Champions: 2012

Overall National Mahangu Grand Champion

Mr Samuel Nepunda – Ohangwena Region

Overall National Mahangu Champion

Elias Sipombo Ndumba - Kavango Region

Regional Mahangu Grand Champions

Ms Christine Shitango (Kavango Region)
Mr Bornwell Mafenyeho (Caprivi Region)
Ms Safafina Fukaile (Omusati Region)
Mr Samuel Nepunda (Ohangwena Region)
Mr Egidius Nairenge (Otjozondjupa Region)
Mr Johannes Shimanda (Oshikoto Region)

Regional Mahangu Champions

Mr Christopher Kasuka (Caprivi Region)
Mr Elias Sipombo Ndumba (Kavango Region)
Mr Lazarus Nghiyolo (Ohangwena Region)
Mr Stefanus Hedimbi (Oshikoto Region)
Mr Sakeus Amundamba (Oshana Region)

Mr. Elias Sipombo Ndumba, Overall National Mahangu Champion 2012.

Mr. Samuel Nepunda, Overall National Mahangu Grand Champion 2012.

4.2 Master Agronomist Award

Nominations for the Master Agronomist Award are invited annually from various organisations such as farmers' associations and agricultural consultants. Nominees who are willing to participate in the competition complete a questionnaire that serves as additional criterion for selection. The NAB, in cooperation with the Agronomy Producers Association, then selects (on a rotation basis), a rain-fed or an irrigation Master Agronomist.

This year's Dry-land Master Agronomist is Mr Jasper Blaauw, farming at Appelblaar near Summerdown. Mr Blaauw plants mainly white maize and beans as well as mahangu on an experimental basis.

Mr. Jasper Blaauw of Farm Appelblaar, Master Agronomist with his family, and Mr. Kaspar Gunzel, Dryland Master Agronomist 2010 and Mr. Christof Brock of the NAB.

4.3 Caprivi Dry-land Champion Maize Farmer

The extension officers of the MAWF and Likwama Farmers Union select finalists annually who are interviewed on their farms by an evaluation team consisting of representatives of the NAB, members of the Likwama Farmers Union and the MAWF.

The evaluation team selected Mr Fidelis Mubuchile as the Caprivi Dry-land Maize Farmer Champion for the period under review.

Mr. Fidelis Mubuchile (right), Caprivi Dry-land Champion Maize Farmer 2012.

4.4 National Horticulture Day

The adjudication team for the evaluation of the winning producers of the year comprised staff from the NAB, MAWF and the two winning producers (small & large-scale) of the previous year. The winning producers for the two categories of producers as confirmed by the adjudication team are:

Small-scale winner, Mr. Abner Shikongo and his wife, receiving his award from the Deputy Minister of Agriculture, Water & Forestry Hon. Petrus Iilonga and the Governor of the Omusati Region Hon. Sophia Shaningwa.

Table 4.1. *Winning Producers and Runner-Up per category at the National Horticulture Day.*

Category	Area	Annual Turn-over	Overall Winner	Runner-up
Small	< = 5 ha	< = N$ 0.5 million	**Mr Abner Shikongo**: Vashi Vegetables Garden, Omusati Region	**Mr Raphael Kampanza**: Kampanza Garden, Kavango Region
Large	> 5 ha	> N$ 0.5 million	**Mr Hansie Opperman**: Ndonga Linena Irrigation Project, Kavango Region	**Mr Ludie Kolver**: Cando Farming, Otjozondjupa Region

Large-Scale winner, Mr. Hansie Opperman, receiving his award from the Deputy Minister of Agriculture, Water & Forestry Hon. Petrus Iilonga and the Governor of the Omusati Region Hon Sophia Shaningwa.

The Deputy Minister of Agriculture, Water and Forestry, the Hon. Petrus Ilonga, presents the trophy and certificate to Ms Sunita Roodt of Freshmark Namibia, who are the Overall Winner in the Mega Category for Traders.

Traders' Awards

The MSP is a very important tool for the NAB to encourage the purchase of locally grown fruits and vegetables. As such, it is crucial to recognise those traders with the highest percentage in relation to the annual turn-over.

The winners in each of the five traders' categories were selected on the basis of having achieved the highest proportion of local horticulture purchases (MSP%) per category. The MSP% achieved is calculated by taking local purchases as a fraction of total annual turn-over where total turn-over is made up of both local and import purchases for the year. The following were the winning and runner-up traders per category:

Table 4.2: *Winning Traders and Runner-Up per category at the National Horticulture Day.*

Category	Annual Turn-over	Overall Winner	Runner-up
Small	< = N$1.5 million	**Super Selfhelp**: Mariental	**OK Gochas**: Gochas
Medium	> N$1.5 million but < = N$4 million	**Brenner Fruit**: Oshikango	**Kavango Supermarket**: Rundu
Large	> N$4 million but < = N$7 million	**Groente Mandjie**: Gobabis	**Free Namibia Caterers**: Tsumeb
Very Large	> N$7 million but < = N$16 million	**Fysal Fresh Produce**: Oshikango	**Citi Produce:** Windhoek
Mega	> = N$16 million	**Freshmark Namibia**: Windhoek	**Fruit & Vegetable City**: Windhoek

5. PUBLIC RELATIONS REPORT

Head Space Brands was awarded the Namibian Agronomic Board account for managing the media relations and communication requirements with many stakeholders on behalf of the NAB in July 2012. Since then, Head Space Brands and the Namibian Agronomic Board have forged a very good working relationship and have worked on the following for the period under review:

- Redeveloping the website; and,
- Developing and distributing news releases for:
  - Oshipe 2012
  - Dryland Maize Champion Farmer 2012
  - National Horticulture Day
  - Okorusu Fluorspar Mine Tailings for use of phosphates in horticulture.

All media coverage for the NAB is monitored and evaluated.

6. BORDER CONTROL AND INSPECTION SERVICES

The Namibian component of the Agri-Inspec underwent a change of name to Namibia Trade Inspection & Forensic Services (NAMTIFS). They have employed the Road Fund Administration as their agents at Mohembo and Katwitwi border posts.
NAMTIFS maintain control over the flow of controlled agronomic products into Namibia especially at the 3 main and 2 small Namibian border posts. These are: Ariamsvlei, Noordoewer & Trans Kalahari and Mohembo and Klein Manasse respectively. Katwi-twi, Omahenene and Oshikango are monitored for exports of controlled agronomic crops and products derived from these crops. 2 high profile security companies have been employed by NAMTIFS to do forensic, in-house investigations and monitoring functions at Oshikango and Walvis Bay regarding the illegal importation of controlled agronomic products and fresh fruit and vegetables into Namibia.

The in-transit imports of horticulture produce and maize meal to Angola and the Democratic Republic of the Congo continued under the strict regulations imposed by both the Namibian Customs & Excise and the NAB. To date, no serious transgressions have been noticed by the NAB. Small quantities of horticultural produce have been imported through the Omahenene border post by pedestrians visiting their relatives in Angola and coming back to Namibia the following day.

The ban on the import of white maize meal, yellow maize meal and wheaten flour continues routinely. Customs officials and police at all border posts and NAMTIFS inspectors, where present, have been informed and remain vigilant to curb the illegal importation of these products.

The Directorate of Customs and Excise has installed scanners at the following border posts: Oshikango, Trans Kalahari, Wenela, Noordoewer and the Port of Walvis Bay to check for illegal consignments coming into Namibia. Numerous irregularities were recorded by Customs and NAMTIFS after the scanning of trucks at Noordoewer & Trans Kalahari border posts. The groundbreaking ceremony for building a facility to house the scanner was held in Ariamsvlei.

7. REGIONAL AND INTERNATIONAL TRADE RELATIONS: AGRICULTURAL TRADE FORUM (ATF)

7.1 National Trade Issues

During the period under review, the ATF held two ordinary meetings to inform its members of on-going trade negotiations and the impact thereof on the agricultural sector. The ATF further continued drafting and disseminating its newsletter after every 2 months to inform its members of developments in trade negotiations. Back to office reports, informing members of progress in the negotiations, were also drafted and disseminated to members after every negotiating session with third party countries. These reports and newsletters forms one of the avenues the ATF uses to convey information to the private sector.

The ATF organised two half day and one full day session on specific trade issues where relevant inputs were requested from the agricultural private sector to Government. Three Public Sector Dialogue meetings were held with the support of the Friedrich Ebert Stiftung. These Public Sector Dialogue sessions are regular events on the ATF calendar and are open discussions attended by the general public, members of the diplomatic corp, government officials, the business sector, NGO's and the media.

7.2 Regional and International Trade Relations

To be able to inform its members and also to support the negotiation process that is led by the government, the ATF participates in trade briefings, trade negotiation meetings and wider trade sessions giving inputs gained from the agricultural sector in general and its members in particular.

The ATF continued to represent agricultural interests in trade negotiations at regional and international fora. Trade negotiations attended during the period under review include trade-related meetings and negotiations under the SACU and SADC umbrella, as well as the intra-SADC and intra-SACU trade meetings. This section will provide a brief update on the various trade negotiations and meetings. Detailed reports regarding specific items issues as well as general information about trade can be obtained from the ATF.

Regional Trade Relations

SADC-COMESA-EAC TRIPARTITE FTA: The ATF has been involved in negotiating the Tripartite Free Trade Area (TFTA), which targets the liberalisation of goods and services trade between the Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA) and the Eastern African Community (EAC) comprising of 26 countries. This Tripartite FTA is envisaged to be a stepping stone for the creation of the African Economic Community and fosters regional cooperation and integration. The regional cooperation is anchored on 3 pillars, namely market integration, infrastructure development and industrial development. The market integration area is where the ATF has been mostly involved. Moreover, negotiations under this area will be conducted in two phases where Phase 1 covers trade in goods while Phase 2 would consider trade-related aspects.

The negotiating sessions during the period under review were mainly aimed at reaching agreement on the negotiating modalities and creating the various Technical Working Groups (TWG) that will deal with specific trade issues. Of relevance to the agriculture sector is the TWG on Sanitary and Phytosanitary (SPS), Non-Tariff Barriers (NTBs) and Technical Barriers to Trade (TBT). This TWG will consider and agree on the draft Annex that will regulate the implementation of these measures and also to ensure that such measures are not used as disguised restrictions to trade. In relation to the foregoing, the ATF also participated in meetings of the Tripartite Trade Negotiation Forum (TTNF), where issues and decisions emanating from the TWG are considered and approved. The Tripartite FTA negotiations will continue during the 2013/2014 financial year. It is however clear that the deadline for concluding the negotiations on Phase 1 will not be finalised by the set timeframe of 2014.

International Trade Relations

SADC/EC EPA: The negotiations towards concluding an FTA between SADC EPA states and the EU have been on-going since 2007. Although a number of issues have been resolved since then, some issues still remain stumbling blocks towards conclusion of the negotiations. With specific reference to the agriculture sector, the agricultural market access request and offer between the EC and SACU reached a stalemate with neither party willing to improve on any concessions than what was already offered. Another issue is SADC EPA's insistence on a specific and automatic agricultural safeguard provision while the EC prefers a paragraph to be included in a wider bilateral safeguard provision. In an effort to unlock this impasse, a suggestion was made for the EC to agree to a specific agricultural safeguard provision in exchange for SACU to respond positively to the EC's agricultural market access requests.

The negotiations will continue during the 2013/2014 financial year. However, it is vital that these negotiations are concluded soon, particularly when considering the imminent deadline for amendment of Market Access Regulation 1528, where countries that have not signed the EPA would be removed from the duty free quota free access granted by the EU. If no agreement is reached, Namibia's beef, table grape and fish sectors will be subjected to MFN tariffs for exports to the EU.

7.3 Documents / Studies compiled

On request of the Namibia Trade Forum (NTF), the ATF assisted with the organisation and implementation of a base line study on the possible effects of the Tripartite Free Trade Agreement for Namibia. This study, which was funded by the British High Commission to Namibia, is now completed and disseminated to relevant stakeholders.

Public Relations Service

The ATF has hired the services of a consultant to assist the ATF in designing an appropriate logo and the design of office stationary such as letterheads and business cards for the ATF. The consultant will also assist with the design and content of the ATF website.

REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE NAMIBIAN AGRONOMIC BOARD FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

1. INTRODUCTION

The Namibian Agronomic Board was established on 1 April 1985, and presently exists in terms of Section 3(1) of the Agronomic Board Industry Act, 1992, (Act No. 20 of 1992) hereinafter referred to as the Act. The objectives of the Board are, in terms of Section 9 of the Act, to promote the agronomic industry and to facilitate the production, processing, storage and marketing of controlled products in Namibia. The Board should keep account of its transactions in achieving these objectives in terms of Section 14(5) of the Act.

The firm Mostert Landgrebe of Windhoek has been appointed in terms of Section 26 (2) of the State Finance Act, 1991, to perform the audit of the accounts of the Board on behalf of the Auditor-General.

Figures in the report are rounded off to the nearest Namibian Dollar. Deficits are indicated in brackets.

2. FINANCIAL STATEMENTS

Statements of the accounts of the Board prepared in compliance with Section 17(1) of the Act were received and duly signed. The original version of the financial statements published in this report is filed in the Office of the Auditor-General and comprises:

Annexure A: Consolidated balance sheet
Annexure B: Consolidated income statement
Annexure C: Notes to the consolidated financial statements
Annexure D: Balance sheet - White maize & wheat
Annexure E: Income statement - White maize & wheat
Annexure F: Notes to the financial statements - White maize & wheat
Annexure G: Balance sheet - Horticulture
Annexure H: Income statement - Horticulture
Annexure I: Notes to the financial statements - Horticulture
Annexure J Balance sheet - Mahangu
Annexure K: Income statement - Mahangu
Annexure L: Notes to the financial statements - Mahangu
Annexure M: Balance sheet - Development Project Division
Annexure N: Income statement - Development Project Division
Annexure O: Notes to the financial statements - Development Project Division

3. SCOPE OF THE AUDIT

Management's Responsibility for the Financial Statements
The Accounting Officer of the Board is responsible for the preparation and fair presentation of these financial statements and for ensuring the regularity of the financial transactions. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility
It is the responsibility of the Auditor-General to form an independent opinion, based on the audit, on those statements and on the regularity of the financial transactions included in them and to report the opinion of the Auditor-General to the National Assembly. The said firm conducted the audit in accordance with International Standards on Auditing. Those standards require that the firm comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

4. AUDIT OBSERVATION AND COMMENTS

Internet Banking Scam

The Board reported that it was a victim of an internet banking scam during the year under review. Therefore the Board suffered a net loss amounting to N$ 399 354 after negotiating with the creditor to write off one third of the total cost.

The Board is urged to implement proper control measures to prevent future financial losses.

5. ACKNOWLEDGEMENT

The assistance and co-operation by the staff of the Board during the audit is appreciated.

6. AUDIT OPINION

The accounts of the Namibian Agronomic Board for the financial year end 31 March 2013, summarised in Annexures A to O, were audited in terms of Section 17(2) of the Act, read with Section 25(1)(b) of the State Finance Act, 1991 (Act 31 of 1991). In my opinion these financial statements fairly present the financial position of the Board on 31 March 2013 and the results of the operations for the year then ended.

In all material respects the income and expenditure have been applied to the purposes intended by the Board and the financial transactions conform to the authorities which govern them.

WINDHOEK, March 2014

JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

NAMIBIAN AGRONOMIC BOARD
CONSOLIDATED BALANCE SHEET AT 31 MARCH

ANNEXURE A

	Note	2013 N$	2012 N$
ASSETS			
NON CURRENT ASSETS		**36,440,026**	**33,346,124**
Property, plant and equipment	1	2,498,524	2,952,212
Investments	2	33,941,502	30,393,912
CURRENT ASSETS		**4,317,400**	**3,045,416**
Trade and other receivables	3	3,754,172	2,170,517
Bank account	4	562,224	874,116
Petty cash		1,004	783
TOTAL ASSETS		**40,757,426**	**36,391,540**
FUNDS AND LIABILITIES			
FUNDS AND RESERVES		**33,793,953**	**30,183,725**
General Fund	5	32,649,070	29,038,842
General Administration Fund	6	1,003,148	1,003,148
Commodity Reserve Fund	7	141,735	141,735
SHARES - AGRICULTURAL BOARDS' BUILDING	8	**1,217,913**	**1,217,913**
CURRENT LIABILITIES			
Trade and other payables	9	5,745,560	4,989,902
TOTAL FUNDS AND LIABILITIES		**40,757,426**	**36,391,540**

NAMIBIAN AGRONOMIC BOARD

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH

ANNEXURE B

INCOME	2013 N$	2012 N$
Permits issued	345,300	247,275
Processors registration	289,547	253,380
Inspection fee on intransito and export trucks	1,073,400	565,720
General producers' levy	**2,451,723**	**1,916,990**
Levied	3,813,090	2,981,852
Less: Agronomic producers' associations	(1,361,367)	(1,064,862)
Processors Levy - White Maize	**4,236,427**	**3,382,161**
Processors' levy on local production	2,348,575	1,539,797
Processors' levy on grain imported	2,123,156	2,030,262
Less: Grain Processors Associations	(235,304)	(187,898)
Processors Levy - Wheat	**2,892,178**	**2,808,785**
Local	543,887	338,580
Import	2,508,963	2,632,552
Less: Grain Processors Associations	(160,672)	(162,347)
Horticulture Levies	**7,500,192**	**6,029,212**
Levied	1,824,604	1,374,614
Levies to Traders Association	(100,000)	(114,480)
Levies to Area Committees	(429,348)	(220,355)
Levies on Imports	4,124,214	3,401,713
Inspection fee on intransito and export trucks	2,080,722	1,587,720

NAMIBIAN AGRONOMIC BOARD

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

ANNEXURE B

INCOME continued	2013 N$	2012 N$
Balance carried forward	**18,788,767**	**15,203,523**
Other income	**4,135,000**	**5,532,474**
6% of profit - Agricultural Boards' Building	50,000	112,098
Interest received	1,802,703	1,706,731
Project support service and accounting fees	1,417,757	1,413,864
NGPA, ATF and other accounting and administration fees	249,305	171,308
MAWF project support service fees and other	418,653	968,108
Profit on sale of equipment	2,477	12,711
Deposit from maize and weat	-	828,137
Other income	194,105	319,517
Internal recoveries	**4,558,166**	**5,113,040**
NAB reserves	1,880,000	2,508,042
Transit permits issued	186,428	149,796
Funds from Ministry	2,076,838	2,000,000
Funds from Ministry - Depreciation	414,900	455,202
INCOME	27,481,933	25,849,037
EXPENSES - Per attached schedule	21,877,383	19,161,750
NET SURPLUS FOR THE YEAR	**5,604,550**	**6,687,287**

NAMIBIAN AGRONOMIC BOARD

ANNEXURE B

CONSOLIDATED INCOME STATEMENT - SCHEDULE OF EXPENSES

FOR THE YEAR ENDED 31 MARCH

	2013 N$	2012 N$
Advertisements	38,873	32,053
Auditors remuneration - External	20,970	102,263
Bad debts	-	1,844
Bank charges	66,621	58,593
Board fees	1,651,346	1,514,064
Border control	1,996,041	1,158,300
Casual labourers	19,956	30,278
Chartered Accountant - Financial management committee	20,310	10,836
Cost of information centre	116,920	99,930
Crop estimators/producers data collection	-	7,065
Depreciation - Equipment	101,218	115,779
Depreciation - Furniture	29,006	28,653
Depreciation - Fittings	25,908	64,099
Depreciation - Motor vehicles	464,567	462,664
Development of new potentioal controlled crop	44,160	-
Donations	11,444	-
Farmer days	212,401	233,845
Field uniforms	4,208	2,905
Foreign trade negotiations	272,853	249,354
Inspection fee on intransito and export trucks	3,154,122	2,153,440
Insurance	106,558	117,676
Levy collection by trade	534,161	433,528
Liaison	6,391	6,279
Loss on sale of computer	1,526	32,000
Management fee (NAB)	380,080	452,360
Motor vehicle expenses	365,634	277,313
Personnel remuneration	8,230,858	8,026,961
Postal and freight	33,017	32,642

NAMIBIAN AGRONOMIC BOARD

ANNEXURE B

CONSOLIDATED INCOME STATEMENT - SCHEDULE OF EXPENSES

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
Balance carried forward	**17,909,149**	**15,704,724**
Professional services and legal costs	188,016	170,071
Promotions	19,452	22,159
Public relations services	180,336	-
Refreshments	30,739	39,850
Rent paid	470,817	469,920
Repairs and maintenance - Computer equipment	205,471	134,691
Repairs and maintenance - Horticulture database	31,500	14,125
Special functions	339,650	376,165
Staff - Subsistence and travel	782,890	649,837
Substance and travel - Milling inspection	48,925	37,039
Stationary and printing (Including annual report)	239,248	234,860
Strategic planning	124,436	151,668
Subscriptions	9,705	18,157
Team building	44,431	38,283
Telephone and fax	114,928	113,218
Training and personnel development	162,235	93,676
	20,901,928	**18,268,443**
Internal recoveries	**975,455**	**893,307**
Cost of accounting (NAB)	800,885	690,225
Supportive services (NAB)	134,258	170,397
Web development and maintenance of website	40,312	32,685
Total expenses	**21,877,383**	**19,161,750**

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH

1. PROPERTY, PLANT AND EQUIPMENT

2013 YEAR	Cost N$	Accumulated depreciation N$	Carrying value N$
Land and buildings	1,219,623	-	1,219,623
Motor vehicles	2,322,839	(1,302,242)	1,020,597
Furniture and fittings	378,086	(281,202)	96,884
Equipment	731,089	(569,669)	161,420
	4,651,637	**(2,153,113)**	**2,498,524**

THE CARRYING VALUE OF PLANT AND EQUIPMENT CAN BE RECONCILED AS FOLLOWS:

	Carrying value - beginning of year N$	Additions N$	Disposals N$	Depreciation N$	Carrying value - end of year N$
Land and buildings	1,219,623	-	-	-	1,219,623
Motor vehicles	1,485,165	-	-	(464,568)	1,020,597
Furniture and fittings	115,175	55,066	(18,921)	(54,436)	96,884
Equipment	132,248	161,459	(31,069)	(101,218)	161,420
	2,952,211	**216,525**	**(49,990)**	**(620,222)**	**2,498,524**

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

1. PROPERTY, PLANT AND EQUIPMENT continued

2012 YEAR	Cost N$	Accumulated depreciation N$	Carrying value N$
Land and buildings	1,219,623	-	1,219,623
Motor vehicles	2,322,839	(837,674)	1,485,165
Furniture and fittings	341,941	(226,766)	115,175
Equipment	670,111	(537,863)	132,248
	4,554,514	**(1,602,303)**	**2,952,211**

DEPRECIATION IS CALCULATED AS FOLLOWS:

Motor vehicles – 5 Years - Straight line method
Furniture and fittings – 5 Years - Straight line method
Equipment – 3 Years - Straight line method

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
2. INVESTMENTS		
At the period-end the amounts invested in terms of Section 14(5) of the Act were:		
Commercial Banks - At interest rates at year-end between 1,2% and 5,57%	28,207,686	24,762,546
Nampost - At a interest rates at year-end of 7,5%	5,733,816	5,631,366
Total	**33,941,502**	**30,393,912**
3. TRADE AND OTHER RECEIVABLES		
Trade receivables	3,098,031	1,745,200
Interest accrued	255,582	188,980
Vat receivable	2,579	2,223
Other receivables	417,720	253,854
	3,773,912	2,190,257
Less: Provision for bad debts	(19,740)	(19,740)
Total	**3,754,172**	**2,170,517**
4. BANK ACCOUNT		
In terms of the Act the Board has four current accounts at a commercial bank for Maize and Wheat, Horticulture, Mahangu and the Development Project Division.		
Cash-book balance	**562,224**	**874,116**

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
5. GENERAL FUND		
The Fund was established to finance the administration expenses of the Board. Transactions were as follows:		
Balance - 1 April	**29,038,843**	**25,687,692**
Less: Project support of marketing of food legume, sunflower, safflower crops	(149,632)	-
Mahangu contribution	(1,880,000)	(2,508,042)
Adjustment Dicontinuation DPD - Add Provision for Annual Report	15,462	-
Adjustment Dicontinuation DPD - Add Provision for Audit fee	19,847	-
Unknown difference	-	(828,094)
Net surplus for the year	5,604,550	6,687,287
Balance - 31 March	**32,649,070**	**29,038,843**
6. GENERAL ADMINISTRATIVE FUND		
The Fund was instituted to act as a buffer against effects of poor crops. The Fund can be utilised in years of poor crops to finance the Board's administration functions.		
Balance - 1 April	**1,003,148**	**1,003,148**
Balance - 31 March	**1,003,148**	**1,003,148**
7. COMMODITY RESERVE FUND		
The fund was instituted to assist schemes in drought situations, to carry price increases to producers and to be rendered as a guarantee to facilitate production loans. Transactions during the year were as follows:		
Balance - 1 April	**141,735**	**141,735**
Balance - 31 March	**141,735**	**141,735**

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
8. SHARES - AGRICULTURAL BOARDS' BUILDING		
The Agronomic Board holds a 6% share in a joint venture with the Karakul Board of Namibia and the Meat Board of Namibia in the Agricultural Boards' Building.		
Total	**1,217,913**	**1,217,913**
The joint venture owns land and building situated at erf no 744 and 749 in the Windhoek township. The property was valued at N$ 21 671 000 on 07 September 2008 with the consent of the Director. The investment is currently carried at cost.		
9. TRADE AND OTHER PAYABLES		
Administrative expenses	519,143	188,344
Levies payable	659,602	607,791
Provisions	586,302	422,864
Guarantee deposits from Millers/Traders	1,012,258	664,511
DAPAP II - Interest receivable on behalf of the project	11,915	11,915
Admin fee on projects received in advance	1,189,525	1,177,336
Other payables	1,536,555	1,917,141
VAT payable	50,309	-
MAWF Funds	179,951	-
Total	**5,745,560**	**4,989,902**
10. TRUST FUNDS: MINISTRY OF AGRICULTURE, WATER AND FORESTRY AND OTHER		
FUNDS WERE INVESTED AS FOLLOWS:		
Standard Bank - Current account	85,028	24,135
Standard Bank - 12 Months fixed deposit	-	4,290,000
Standard Bank - 9 Months fixed deposit	-	4,333,540
Standard Bank - 8 Months fixed deposit at 6.05%	5,000,000	-
Bank Windhoek Investment Fund - 5.42%	13,007,795	2,649,137
Old Mutual - Nedband Platinum Fund - 5.82%	5,273,802	16,504,471
Old Mutual Investment Fund at 5.82%	3,131,485	-

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
10. TRUST FUNDS: MINISTRY OF AGRICULTURE, WATER AND FORESTRY AND OTHER *continued*		
FUNDS WERE INVESTED AS FOLLOWS *continued*:		
Old Mutual Investment Fund at 5.72%	11,550,582	-
First National Unit Trust at 5.45%	5,023,281	-
	43,071,973	**27,801,283**
FUNDS AVAILABLE:		
Agricultural Marketing & Trade Agency	5,023,281	-
Cold Storage	146,624	138,837
Communial Development Production Fund	45,506	-
Contill - GART	5,550	5,757
Cotton Campaign	530,037	500,541
Draft Animal Power Programme	562,569	532,980
Fertilizer Mixing Plant	279,225	264,395
Fruits & Vegetables Programme Feasibility Study	69,760	66,055
Horticulture	878,241	847,572
Indigenous Plants	486,907	475,669
IPTT - GTZ	-	129,380
Interim Seed Council	101,043	95,677
Land Reform Consultancy	304,634	288,455
MSTT	71,727	236,792
Namibia Small Stock Development Project	68,480	96,646
Production Fund		43,089
San - DAPAP	232,605	220,251
Silo Building Fund	13,609,160	13,215,008
Useful Plants Development Project	161,036	190,291
WM and Mahangu Purchasing Fund	11,630,064	2,066,195
Woodland management	8,865,524	8,387,697
	43,071,973	**27,801,287**

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

11. LEVIES FOR AGRONOMIC PRODUSERS' ASSOCIATIONS

The extent of the levies received by the agronomic producers' associations depends on the size of the crop. A fixed portion of 0,5% of this levy, which is currently charged at 1,4% of the value of the sales, is earmarked for the financing of the agronomic producers' associations. The policy laid down by the Board regarding pay-outs to the associations is based on actual levies received.

12. ACCOUNTING AND ADMINISTRATION FEES

The Board acts as unit co-ordinator for financial controller of various Task Teams under contract of the Government of Namibia. The Board administrates all meetings of the various Task Teams on behalf of the Ministry of Agriculture, Water and Forestry.

13. BOARD MEMBERS

Expenses on members of the Board increased with 9.1% during 2012/2013 (2011/2012 - Increased with 39%).

14. STAFF

Remuneration of staff increased with 2.5% during 2012/2013 (2011/2012 - Increased with 33%).

NAMIBIAN AGRONOMIC BOARD - WHITE MAIZE & WHEAT

ANNEXURE D

BALANCE SHEET AT 31 MARCH

	Note	2013 N$	2012 N$
ASSETS			
NON CURRENT ASSETS		**24,877,466**	**22,036,921**
Property, plant and equipment	1	1,456,398	1,524,402
Investments	2	23,421,068	20,512,519
CURRENT ASSETS		**2,550,936**	**1,694,576**
Trade and other receivables	3	2,310,815	1,277,313
Bank account	4	239,118	416,760
Petty cash		1,003	503
TOTAL ASSETS		**27,428,402**	**23,731,497**
FUNDS AND LIABILITIES			
FUNDS AND RESERVES		**24,892,858**	**21,338,059**
General Fund	5	23,747,975	20,193,176
General Administration Fund	6	1,003,148	1,003,148
Commodity Reserve Fund	7	141,735	141,735
SHARES - AGRICULTURAL BOARDS' BUILDING	8	**1,217,913**	**1,217,913**
CURRENT LIABILITIES			
Trade and other payables	9	1,317,631	1,175,525
TOTAL FUNDS AND LIABILITIES		**27,428,402**	**23,731,497**

NAMIBIAN AGRONOMIC BOARD - WHITE MAIZE & WHEAT

ANNEXURE E

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH

INCOME	Note	2013 N$	2012 N$
Permits issued		344,400	246,990
Processors registration		279,021	242,970
Inspection fee on intransito and export trucks		1,073,400	565,720
General producers' levy	**10**	**2,426,568**	**1,896,132**
Levied		3,774,162	2,949,537
Less: Agronomic producers' associations	11	(1,347,594)	(1,053,405)
Processors Levy - White Maize		**4,236,427**	**3,382,161**
Processors' levy on local production		2,348,575	1,539,797
Processors' levy on grain imported		2,123,156	2,030,262
Less: Grain Processors Associations		(235,304)	(187,898)
Processors Levy - Wheat		**2,791,154**	**2,759,352**
Local		525,448	330,251
Import		2,420,765	2,582,397
Less: Grain Processors Associations		(155,059)	(153,296)
6% of profit - Agricultural Board's Building		50,000	112,098
Interest received		1,254,114	1,179,324
Internal accounting, inspection and management Fees		1,417,757	1,400,283
NGPA, ATF and other accounting and administration fees		249,305	171,308
MAWF project support service fees and other	12	259,020	-
Profit on sale of equipment		37	8,436
Penalties - Late submission of returns		-	-
Other income		108,394	171,000
		14,489,597	**12,135,774**
EXPENSES - Per attached schedule		9,147,949	7,054,086
Deficit of the Development Project Division		287,217	552,091
NET SURPLUS FOR THE YEAR		**5,054,431**	**4,529,597**

NAMIBIAN AGRONOMIC BOARD - WHITE MAIZE & WHEAT

ANNEXURE E

INCOME STATEMENT - SCHEDULE OF EXPENSES

FOR THE YEAR ENDED 31 MARCH

	2013 N$	2012 N$
Advertisements	17,191	12,000
Auditors remuneration - External	-	48,188
Bank charges	36,376	24,700
Board fees	640,044	514,139
Border control	1,260,042	701,555
Chartered Accountant - Financial management committee	10,608	2,709
Consultancy - “Protection abolition”	-	-
Cost of information centre	59,943	42,294
Depreciation - Equipment	53,683	51,341
Depreciation - Furniture	7,122	4,642
Depreciation - Motor vehicles	79,802	79,802
Development of new potential crop	44,160	-
Designing and printing of annual report	44,565	46,470
Foreign trade negotiations	218,282	199,483
Inspection fee on intransito and export trucks	1,073,400	565,720
Insurance	29,609	30,898
Liaison	2,366	3,303
Motor vehicle expenses	93,516	38,881
Personnel remuneration	4,435,296	3,956,176
Postal and freight	5,482	8,600
Professional services and legal costs	120,246	59,589
Promotions	15,521	22,159
Public relation services	101,774	-
Refreshments	16,852	18,391
Rent - Equipment	6,114	5,243

ANNEXURE E

INCOME STATEMENT - SCHEDULE OF EXPENSES

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
Balance carried forward	**8,371,994**	**6,346,253**
Rent - Office and parking	255,128	226,159
Rent - P.O. Box	129	91
Repairs and maintenance of computer equipment	113,445	60,998
Special functions	113,096	90,736
Staff - Subsistence and travel	51,713	30,794
Stationary and printing	79,428	51,781
Strategic planning	43,569	65,711
Subscriptions	6,245	3,664
Team building	21,810	18,550
Technical advisor	-	-
Telephone and fax	41,970	35,633
Training and personnel interview expenses	34,410	31,441
Web development and maintenance of website	15,012	2,245
	9,147,949	**7,054,086**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH

1. PROPERTY, PLANT AND EQUIPMENT

2013 YEAR	Cost N$	Accumulated depreciation N$	Carrying value N$
Land and buildings	1,219,623	-	1,219,623
Motor vehicles	399,012	(254,291)	144,721
Furniture and fittings	106,194	(91,511)	14,683
Equipment	485,857	(408,486)	77,371
	2,210,686	**(754,288)**	**1,456,398**

THE CARRYING VALUE OF PLANT AND EQUIPMENT CAN BE RECONCILED AS FOLLOWS:

	Carrying value - beginning of year N$	Additions N$	Disposals N$	Depreciation N$	Carrying value - end of year N$
Land and buildings	1,219,623	-	-	-	1,219,623
Motor vehicles	224,523	-	-	(79,802)	144,721
Furniture and fittings	14,694	20,322	(13,211)	(7,122)	14,683
Equipment	65,562	79,016	(13,523)	(53,684)	77,371
	1,524,402	**99,338**	**(26,734)**	**(140,608)**	**1,456,398**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

1. PROPERTY, PLANT AND EQUIPMENT *continued*

2012 YEAR	Cost N$	Accumulated depreciation N$	Carrying value N$
Land and buildings	1,219,623	-	1,219,623
Motor vehicles	399,012	(174,489)	224,523
Furniture and fittings	86,351	(71,657)	14,694
Equipment	452,952	(387,390)	65,562
	2,157,938	**(633,536)**	**1,524,402**

DEPRECIATION IS CALCULATED AS FOLLOWS:

Motor vehicles – 5 Years - Straight line method
Furniture and fittings – 5 Years - Straight line method
Equipment – 3 Years - Straight line method

2. INVESTMENTS

	2013 N$	2012 N$
At the period-end the amounts invested in terms of Section 14(5) of the Act were:		
Commercial Banks - At interest rates at year-end between 5,5% and 7,57%	22,554,160	19,696,836
Nampost - At a interest rate at year-end of 7,5%	866,908	815,683
Total	**23,421,068**	**20,512,519**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
3. TRADE AND OTHER RECEIVABLES		
Trade receivables	1,718,213	973,544
Interest accrued	221,220	145,543
Refunds	-	-
Other receivables	391,122	177,966
	2,330,555	1,297,053
Less: Provision for Bad Debts	(19,740)	(19,740)
	2,310,815	**1,277,313**
4. BANK ACCOUNT		
Balance per bank statement	378,329	416,760
Outstanding cheques	(139,211)	-
Cash-book balance	**239,118**	**416,760**
5. GENERAL FUND		
The Fund was established to finance the administration expenses of the Board. Transactions were as follows:		
Balance - 1 April	20,193,176	17,721,621
Less: Project support to marketing of food legume, sunflower	(149,632)	-
Mahangu contribution	(1,350,000)	(2,058,042)
Net surplus for the year	5,054,431	4,529,597
Balance - 31 March	**23,747,975**	**20,193,176**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
6. GENERAL ADMINISTRATIVE FUND		
The Fund was instituted to act as a buffer against effects of poor crops. The Fund can be utilised in years of poor crops to finance the Board's administration functions.		
Balance - 1 April	1,003,148	1,003,148
Balance - 31 March	**1,003,148**	**1,003,148**
7. COMMODITY RESERVE FUND		
The fund was instituted to assist schemes in drought situations, to carry price increases to producers and to be rendered as a guarantee to facilitate production loans. Transactions during the year were as follows:		
Balance - 1 April	141,735	141,735
Balance - 31 March	**141,735**	**141,735**
8. SHARES - AGRICULTURAL BOARDS' BUILDING		
The Agronomic Board holds a 6% share in a joint venture with the Karakul Board of Namibia and the Meat Board of Namibia in the Agricultural Boards' Building.		
Total	**1,217,913**	**1,217,913**

The joint venture owns land and building situated at erf no 744 and 749 in the Windhoek township. The property was valued of N$ 21 671 000 on 07 September 2008 with the consent of the Director. The investment is currently carried at cost.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
9. TRADE AND OTHER PAYABLES		
Administrative expenses	74,817	74,535
Levies payable	140,918	145,312
Provisions	338,456	228,409
Other payables	763,440	727,269
	1,317,631	**1,175,525**
10. GENERAL PRODUCERS' & PROCESSORS LEVY		
White maize	2,999,835	2,462,852
Wheat	774,327	486,685
	3,774,162	**2,949,537**

A general producers' levy of 1,4% of landed cost is payable by all producers who sell white maize or wheat for his/her own benefit.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

11. LEVIES FOR AGRONOMIC PRODUCERS' ASSOCIATIONS

The extent of the levies received by the agronomic producers' associations depends on the size of the crop. A fixed portion of 0,5% of this levy, which is currently charged at 1,4% of the value of the sales, is earmarked for the financing of the agronomic producers' associations. The policy laid down by the Board regarding pay-outs to the associations is based on actual levies received.

12. ACCOUNTING AND ADMINISTRATION FEES

The Board acts as unit co-ordinator for financial controller of various Task Teams under contract of the Government of Namibia. The Board administrates all meetings of the various Task Teams on behalf of the Ministry of Agriculture, Water and Forestry.

13. BOARD MEMBERS

Expenses on members of the Board increased with 24.5% during 2012/2013 (2011/2012 - Increased with 11%).

14. STAFF

Remuneration of staff increased with 12% during 2012/2013 (2011/2012 - Increased with 9%).

NAMIBIAN AGRONOMIC BOARD - HORTICULTURE
BALANCE SHEET AT 31 MARCH

ANNEXURE G

	Note	2013 N$	2012 N$
ASSETS			
NON CURRENT ASSETS		**9,153,179**	**7,909,067**
Property, plant and equipment	1	22,392	23,577
Investments	2	9,130,787	7,885,490
CURRENT ASSETS		**1,114,400**	**1,037,422**
Trade and other receivables	3	991,955	836,564
Bank account	4	122,445	200,858
TOTAL ASSETS		**10,267,579**	**8,946,489**
FUNDS AND LIABILITIES			
FUNDS AND RESERVES			
General Fund	5	8,603,940	7,713,369
CURRENT LIABILITIES			
Trade and other payables	9	1,663,639	1,233,120
TOTAL FUNDS AND LIABILITIES		**10,267,579**	**8,946,489**

NAMIBIAN AGRONOMIC BOARD - HORTICULTURE

ANNEXURE H

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH

INCOME	Note	2013 N$	2012 N$
Levies		5,419,470	4,441,492
Levied		1,824,604	1,374,614
Levies to Traders Association		(100,000)	(114,480)
Levies to Area Committees		(429,348)	(220,355)
Levies on Imports		4,124,214	3,401,713
Inspection fee on intransito and export trucks		2,080,722	1,587,720
Transit permits issued		186,428	149,796
Project support service and accounting fees		-	13,581
Interest received		490,560	458,113
Sundry income		85,711	148,120
Profit on sale of equipment		1,329	549
		8,264,220	**6,799,371**
EXPENSES - Per attached schedule		6,705,763	5,560,533
Deficit of the development project division		(137,886)	(276,046)
NET SURPLUS FOR THE YEAR		**1,420,571**	**962,792**

NAMIBIAN AGRONOMIC BOARD - HORTICULTURE

ANNEXURE H

INCOME STATEMENT - SCHEDULE OF EXPENSES

FOR THE YEAR ENDED 31 MARCH

	2013 N$	2012 N$
Advertisements	9,666	7,338
Auditors remuneration - External	-	25,415
Bad debts	-	1,844
Bank charges	14,828	13,364
Board member expenses	568,848	558,932
Border control	735,999	456,745
Chartered Accountant - Financial management committee	5,346	2,709
Cost of accounting (NAB)	451,045	220,492
Cost of information centre	30,485	24,808
Depreciation - Equipment	15,958	17,671
Depreciation - Furniture	1,755	1,528
Designing and printing of annual report	23,593	23,235
Farmer days	178,992	137,149
Foreign trade negotiations	54,571	49,871
Inspection fee on intransito and export trucks	2,080,722	1,587,720
Insurance	4,907	5,066
Levy collection by Trade	534,161	433,528
Management fee (NAB)	184,904	169,635
Personnel remuneration	1,010,836	1,075,058
Postal and freight	13,796	12,624
Producer data collection	-	7,065
Professional services and legal costs	44,630	25,092
Promotion	3,931	-
Public relation services	37,786	-
Refreshments	6,622	9,379

ANNEXURE H

INCOME STATEMENT - SCHEDULE OF EXPENSES

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
Balance carried forward	**6,013,381**	**4,866,268**
Rent - Equipment	6,112	5,719
Rent - Office and parking	94,350	82,387
Rent - P.O. Box	129	91
Repairs and maintenance of computer equipment	55,986	37,416
Repairs and maintenance of Horticulture Database	31,500	14,125
Special functions	145,024	173,681
Stationary and printing	41,516	50,581
Strategic meeting	23,108	50,065
Subscriptions	1,452	11,645
Subsistence and transport	100,467	117,227
Supportive personnel (NAB)	93,021	94,665
Team Building	7,932	6,679
Telephone and fax	21,936	18,656
Training and personnel development	57,103	4,728
Web development and maintenance of website	12,746	26,600
	6,705,763	**5,560,533**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH

1. PROPERTY, PLANT AND EQUIPMENT

2013 YEAR	Cost N$	Accumulated depreciation N$	Carrying value N$
Furniture and fittings	14,009	(10,044)	3,965
Equipment	73,354	(54,927)	18,427
	87,363	**(64,971)**	**22,392**

THE CARRYING VALUE OF PLANT AND EQUIPMENT CAN BE RECONCILED AS FOLLOWS:

	Carrying value - beginning of year N$	Additions N$	Disposals N$	Depreciation N$	Carrying value - end of year N$
Furniture and fittings	5,720	-	-	(1,755)	3,965
Equipment	17,857	21,198	(4,670)	(15,958)	18,427
	23,577	**21,198**	**(4,670)**	**(17,713)**	**22,392**

2012 YEAR	Cost N$	Accumulated depreciation N$	Carrying value N$
Furniture and fittings	14,009	(8,289)	5,720
Equipment	72,413	(54,556)	17,857
	86,422	**(62,845)**	**23,577**

DEPRECIATION IS CALCULATED AS FOLLOWS:

Furniture and fittings – 5 Years - Straight line method

Equipment – 3 Years - Straight line method

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
2. INVESTMENTS		
At the period-end the amounts invested in terms of Section 14(5) of the Act were:		
Commercial Banks - At interest rates at year-end between 1,7% and 7,57%	4,263,879	3,069,807
Nampost - At a interest rate of 10,55%	4,866,908	4,815,683
Total	**9,130,787**	**7,885,490**
3. TRADE AND OTHER RECEIVABLES		
Trade receivables	956,913	766,790
Interest accrued	34,362	43,437
Sundry receivables	680	26,337
	991,955	**836,564**
4. BANK ACCOUNT		
Balance per bank statement	122,445	200,858
Outstanding cheques	-	-
Cash-book balance	**122,445**	**200,858**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
5. GENERAL FUND		
The Fund was established to finance the administration expenses of the Board. Transactions were as follows:		
Balance - 1 April	7,713,369	7,200,577
Net surplus for the year	1,420,571	962,792
Mahangu contribution	(530,000)	(450,000)
Balance - 31 March	**8,603,940**	**7,713,369**
6. TRADE AND OTHER PAYABLES		
Administration expenses	60,224	57,834
Levies payable	513,999	440,876
Provisions	77,158	69,899
Guarantee deposits from millers/traders	1,012,258	664,511
	1,663,639	**1,233,120**

NAMIBIAN AGRONOMIC BOARD - MAHANGU

ANNEXURE J

BALANCE SHEET AT 31 MARCH

	Note	2013 N$	2012 N$
ASSETS			
NON CURRENT ASSETS		**1,184,205**	**2,346,737**
Equipment	1	1,019,735	1,386,147
Investments	2	164,470	960,590
CURRENT ASSETS		**89,438**	**57,905**
Trade and other receivables	3	62,468	41,174
Bank account	4	26,970	16,451
Petty cash		-	280
TOTAL ASSETS		**1,273,643**	**2,404,642**
FUNDS AND LIABILITIES			
FUNDS AND RESERVES			
General Fund	5	188,848	1,059,300
CURRENT LIABILITIES			
Trade and other payables	6	1,084,795	1,345,342
TOTAL FUNDS AND LIABILITIES		**1,273,643**	**2,404,642**

NAMIBIAN AGRONOMIC BOARD - MAHANGU

ANNEXURE K

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH

	2013 N$	2012 N$
INCOME		
Permits issued	900	285
Processors registration	10,526	10,410
General produsers' levy	**25,155**	**20,858**
Levied	38,928	32,315
Less: Agronomic producers' associations	(13,773)	(11,457)
Processors levy	**101,024**	**49,433**
Local	18,439	8,329
Import	88,198	50,155
Less: Grain processors associations	(5,613)	(9,051)
Interest received	45,310	34,186
Funds from Ministry	2,076,838	2,000,000
Funds from Ministry - Depreciation	414,900	455,202
Other income	-	397
NAB reserves	1,880,000	2,508,042
	4,554,653	5,078,813
EXPENSES - Per attached schedule	5,425,105	4,785,009
NET SURPLUS FOR THE YEAR	**(870,452)**	**293,804**

NAMIBIAN AGRONOMIC BOARD - MAHANGU

ANNEXURE K

INCOME STATEMENT - SCHEDULE OF EXPENSES

FOR THE YEAR ENDED 31 MARCH

	2013 N$	2012 N$
Advertisements	8,845	12,715
Auditors remuneration - External	20,970	17,172
Bank charges	14,322	11,822
Board fees	442,454	324,264
Casual labourers	19,956	30,278
Chartered Accountant - Financial management committee	4,356	2,709
Cost of Accounting (NAB)	335,715	279,323
Cost of information centre (Internet, email)	25,656	22,368
Depreciation - Equipment	30,439	38,386
Depreciation - Fittings	25,908	64,099
Depreciation - Furniture	19,514	18,794
Depreciation - Motor vehicles	384,765	382,862
Designing and printing of Annual Report	18,417	11,618
Field uniforms	4,208	2,905
Insurance	69,814	77,365
Liaison	4,025	1,002
Loss on sale of computor equipment	1,526	32,000
Management Fee (NAB)	184,904	169,635
Motor vehicle expenses	272,118	238,432
Personnel remuneration	2,265,371	1,964,796
Postal and freight	13,739	10,386
Professional services and legal costs	23,140	37,659
Public relation services	40,776	-
Refreshments	7,197	8,299
Rent - Equipment	1,722	2,145

NAMIBIAN AGRONOMIC BOARD - MAHANGU

ANNEXURE K

INCOME STATEMENT - SCHEDULE OF EXPENSES

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
Balance carried forward	**4,239,857**	**3,761,034**
Rent - Office and parking	102,675	95,175
Rent - P.O. Box	333	282
Repairs and maintenance of computer equipment	34,786	19,339
Special functions	81,530	111,748
Special functions - Farmers day of trading	33,409	96,696
Stationary and printing	30,812	28,017
Strategic planning	57,759	35,892
Subscriptions	1,967	2,002
Subsistence and transport	608,601	444,998
Subsistence and transport - Milling inspection	48,925	37,039
Supportive personnel (NAB)	37,898	37,866
Team building	12,746	10,584
Telephone and fax	50,905	48,649
Training and personnel development	70,722	53,768
Web development and maintenance of website	12,180	1,920
	5,425,105	**4,785,009**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH

1. PROPERTY, PLANT AND EQUIPMENT

2013 YEAR	Cost N$	Accumulated depreciation N$	Carrying value N$
Furniture and fittings	257,882	(179,648)	78,234
Equipment	171,879	(106,255)	65,624
Motor vehicles	1,923,827	(1,047,950)	875,877
	2,353,588	**(1,333,853)**	**1,019,735**

THE CARRYING VALUE OF PLANT AND EQUIPMENT CAN BE RECONCILED AS FOLLOWS:

	Carrying value - beginning of year N$	Additions N$	Disposals N$	Depreciation N$	Carrying value - end of year N$
Furniture and fittings	88,912	34,744	-	(45,422)	78,234
Equipment	36,593	61,245	(1,775)	(30,439)	65,624
Motor vehicles	1,260,642	-	-	(384,765)	875,877
	1,386,147	**95,989**	**(1,775)**	**(460,626)**	**1,019,735**

2012 YEAR	Cost N$	Accumulated depreciation N$	Carrying value N$
Furniture and fittings	223,137	(134,225)	88,912
Equipment	117,024	(80,431)	36,593
Motor vehicles	1,923,827	(663,185)	1,260,642
	2,263,988	**(877,841)**	**1,386,147**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH *CONTINUED*

1. PROPERTY, PLANT AND EQUIPMENT *continued*

DEPRECIATION IS CALCULATED AS FOLLOWS:

Furniture and fittings - 5 Years - Straight line method
Equipment - 3 Years - Straight line method

	2013 N$	2012 N$
2. INVESTMENTS		
At the period-end the amounts invested in terms of Section 14(5) of the Act were:		
Commercial Banks - At interest rates at year-end between 2,25% and 7,38%	164,470	960,590
Nampost - At a interest rate at year-end of 10,95%	-	-
Total	**164,470**	**960,590**
3. TRADE AND OTHER RECEIVABLES		
Trade receivables	34,979	2,850
VAT receivable	2,579	2,223
Other receivables	24,910	36,101
	62,468	**41,174**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
4. BANK ACCOUNT		
Balance per bank statement	29,370	16,451
Outstanding items	(2,400)	-
Cash-book balance	**26,970**	**16,451**
5. GENERAL FUND		
The Fund was established to finance the administration expenses of the Board. Transactions were as follows:		
Balance - 1 April	1,059,300	765,496
Net surplus for the year	(870,452)	293,804
Balance - 31 March	**188,848**	**1,059,300**
6. TRADE AND OTHER PAYABLES		
Administration expenses	136,307	51,312
Provisions	170,688	84,412
Levies payable	4,685	21,603
Sundry payables	773,115	1,188,015
	1,084,795	**1,345,342**

NAMIBIAN AGRONOMIC BOARD - DEVELOPMENT PROJECT DIVISION

ANNEXURE M

BALANCE SHEET AT 31 MARCH

	Note	2013 N$	2012 N$
ASSETS			
NON CURRENT ASSETS		1,225,177	1,053,399
Equipment	1	-	18,086
Investments	2	1,225,177	1,035,313
CURRENT ASSETS		562,625	255,513
Trade and other receivables	3	388,934	15,466
Bank account	4	173,691	240,047
TOTAL ASSETS		**1,787,802**	**1,308,912**
FUNDS AND LIABILITIES			
FUNDS AND RESERVES			
General Fund	5	108,307	72,997
CURRENT LIABILITIES			
Trade and other payables	6	1,679,495	1,235,915
TOTAL FUNDS AND LIABILITIES		**1,787,802**	**1,308,912**

NAMIBIAN AGRONOMIC BOARD - DEVELOPMENT PROJECT DIVISION

ANNEXURE N

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH

	Note	2013 N$	2012 N$
INCOME		**173,463**	**1,835,079**
Interest received		12,719	35,108
MAWF project support service fees		159,633	968,108
Deposit form maize and wheat		-	828,137
Profit on disposal of plant and equipment		1,111	3,726
EXPENSES		**598,566**	**1,762,082**
Advertisements		3,171	-
Auditors remuneration - External		-	11,448
Bank charges		1,095	8,707
Board fees		-	116,729
Chartered Accountant - Financial management committee		-	2,709
Cost of Accounting (NAB)		14,125	190,410
Cost of information centre (Internet, email)		836	10,460
Depreciation - Equipment		1,138	8,381
Depreciation - Furniture		615	3,689
Designing and printing of Annual Report		-	11,618
Donation		11,444	-
Insurance		2,228	4,347
Liaison		-	1,974
Management Fee (NAB)		10,272	113,090
Professional services and legal costs		-	47,731
Personnel remuneration		519,355	1,030,931
Postal and freight		-	1,032
Refreshments		68	3,781
Rent - Office and parking		4,125	52,537
Rent - P.O. Box		-	91

NAMIBIAN AGRONOMIC BOARD - DEVELOPMENT PROJECT DIVISION

ANNEXURE N

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	Note	2013 N$	2012 N$
Balance carried forward		**568,472**	**1,619,665**
Repairs and maintenance of computer equipment		1,254	16,938
Stationary and printing		917	11,540
Subscriptions		41	846
Subsistence and transport		22,109	56,818
Supportive personnel (NAB)		3,339	37,866
Team building		1,943	2,470
Telephone and fax		117	10,280
Training and personnel interview expenses		-	3,739
Web development and maintenance of website		374	1,920
NET SURPLUS/(DEFICIT) FOR THE YEAR		**(425,103)**	**72,998**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH *CONTINUED*

1. PROPERTY, PLANT AND EQUIPMENT

2013 YEAR	Cost N$	Accumulated depreciation N$	Carrying value N$
Furniture and fittings	-	-	-
Equipment	-	-	-
	-	**-**	**-**

THE CARRYING VALUE OF PLANT AND EQUIPMENT CAN BE RECONCILED AS FOLLOWS:

	Carrying value - beginning of year N$	Disposals N$	Depreciation N$	Carrying value - end of year N$
Furniture and fittings	5,850	(5,235)	(615)	-
Equipment	12,236	(11,098)	(1,138)	-
	18,086	**(16,333)**	**(1,753)**	**-**

2012 YEAR	Cost N$	Accumulated depreciation N$	Carrying value N$
Furniture and fittings	18,444	(12,594)	5,850
Equipment	27,722	(15,486)	12,236
	46,166	**(28,080)**	**18,086**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH *CONTINUED*

1. PROPERTY, PLANT AND EQUIPMENT *continued*

DEPRECIATION IS CALCULATED AS FOLLOWS:

Furniture and fittings – 5 Years - Straight line method
Equipment – 3 Years - Straight line method

	2013 N$	2012 N$
2. INVESTMENTS		
At the period-end the amounts invested in terms of Section 14(5) of the Act were:		
Commercial Banks - At a interest rates at year-end of 5.29%	**1,225,177**	**1,035,313**
3. TRADE AND OTHER RECEIVABLES		
Trade debtors	387,926	-
Sundry debtors	1,008	15,466
	388,934	**15,466**
4. BANK ACCOUNT		
Balance per bank statement	173,691	240,047
Cash-book balance	**173,691**	**240,047**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$

5. GENERAL FUND

The Fund was established to finance the administration expenses of the Board. Transactions were as follows:

Balance - 1 April	72,997	-
Provision for annual report	15,462	-
Provision for audit fee	19,848	-
Transferred	425,103	
Net surplus/(deficit) for the year	(425,103)	72,997
Balance - 31 March	**108,307**	**72,997**

6. TRADE AND OTHER PAYABLES

Administration expenses	247,795	4,663
Provisions	-	40,144
DAPAP II - Interest received on behalf of the project	11,915	11,915
Sundry payables	-	1,857
MAWF Funds	179,951	-
Admin fee on projects received in advance	1,189,525	1,177,336
VAT	50,309	-
	1,679,495	**1,235,915**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH *CONTINUED*

7. ACCOUNTING AND ADMINISTRATION FEES

The Board acts as unit co-ordinator for the financial controller of various Task Teams under contract of the Government of Namibia. The Board administrates all meetings of the various Task Teams on behalf of the Ministry of Agriculture, Water and Forestry.

	2013 N$	2012 N$
8. TRUST FUNDS: MINISTRY OF AGRICULTURE, WATER AND FORESTRY AND OTHER		
FUNDS WERE INVESTED AS FOLLOWS:		
Standard Bank - Current account	85,028	24,135
Standard Bank - 12 Months fixed deposit	-	4,290,000
Standard Bank - 9 Months fixed deposit	-	4,333,540
Standard Bank - 8 Months fixed deposit at 6.05%	5,000,000	-
Bank Windhoek Investment Fund - 5.42%	13,007,795	2,649,137
Old Mutual - Nedband Platinum Fund - 5.82%	5,273,802	16,504,471
Old Mutual Investment Fund at 5.82%	3,131,485	-
Old Mutual Investment Fund at 5.72%	11,550,582	-
First National Unit Trust at 5.45%	5,023,281	-
	43,071,973	**27,801,283**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH *CONTINUED*

	2013 N$	2012 N$
8. TRUST FUNDS: MINISTRY OF AGRICULTURE, WATER AND FORESTRY AND OTHER *continued*		
FUNDS AVAILABLE:		
Agricultural Marketing & Trade Agency	5,023,281	-
Cold Storage	146,624	138,837
Communial Development Production Fund	45,506	-
Contill - GART	5,550	5,757
Cotton Campaign	530,037	500,541
Draft Animal Power Programme	562,569	532,980
Fertilizer Mixing Plant	279,225	264,395
Fruits & Vegetables Programme Feasibility Study	69,760	66,055
Horticulture	878,241	847,572
Indigenous Plants	486,907	475,669
IPTT - GTZ	-	129,380
Interim Seed Council	101,043	95,677
Land Reform Consultancy	304,634	288,455
MSTT	71,727	236,792
Namibia Small Stock Development Project	68,480	96,646
Production Fund		43,089
San - DAPAP	232,605	220,251
Silo Building Fund	13,609,160	13,215,008
Useful Plants Development Project	161,036	190,291
WM and Mahangu Purchasing Fund	11,630,064	2,066,195
Woodland management	8,865,524	8,387,693
	43,071,973	**27,801,283**

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