



**MEDIA BRIEFING STATEMENT BY HER WORSHIP, QUEEN OMAGANO KAMATI,
MAYOR OF THE CITY WINDHOEK**

DATE: 08 August 2024

TIME: 09:00

VENUE: COUNCIL CHAMBERS, CITY OF WINDHOEK

Honourable Council Members,
The Chief Executive Officer, Mr Moses Matyayi
Strategic Executives and Officials,
Fellow Residents of Windhoek
Members of the Media,
Ladies and Gentlemen,

Good morning,

It is my privilege and honour to address you today to discuss some important matters concerning our commitment to delivering effective and efficient municipal services to all our residents, in line with our mandate.

At the outset, I wish to reiterate the City of Windhoek's commitment to transparency and efficiency in its operations. In this spirit, we are here to address the following issues that have been circulating in the public domain

- **Blocking of Prepaid Electricity Meters Due to Outstanding Municipal Accounts for Water or Rates and Taxes**
- **Anomalies Detected in Some Accounts on Our Billing System**
- **Overcharged or Undercharged Municipal Accounts**
- **Status of Informal Trading within the City**

The month of July was very busy for the City of Windhoek with media reports, public activism and public meeting. Let me on the onset appreciate our Windhoek Community for being open and proactive in keeping up with exercising their rights as well as attending our Public Meetings. These were truly engaging sessions and we are grateful for your inputs.

Allow me to begin with providing clarity on transparency and disclosure first and continue on the above matters:

There has been issues of Financial accountability and Transparency as with regards to the disclosures. The City of Windhoek is clearly guided by the provision of Sections 85, 86, and 87. Equally, Public meetings which serves a cornerstone of community engagement is provided for under Section 88 of the LA Act, which enables transparency and accountability to the public on matter of serious concerns. We have just completed a series of Public Meeting (17 Public Meetings in all 10 constituencies of Windhoek) in the month of July.

In accordance with the provisions of the Local Authority Act, the books and accounts of the City of Windhoek shall be audited by the Auditor General. This is a legal process that is diligently followed from a governance perspective each year. Therefore, the City of Windhoek is audited annually through the Office of the Auditor General. These annual audits are conducted to highlight successes and identify areas of malfeasance and wrongdoing, ensuring the City of Windhoek provides accountability to the **Parliamentary Standing Committee on Public Accounts**. The latter process is broadcasted and is made public and is not done in secrecy. Hence, these reports are available publicly with the Auditor General.

1. BLOCKING OF PREPAID ELECTRICITY METERS DUE TO OUTSTANDING MUNICIPAL ACCOUNTS FOR WATER OR RATES AND TAXES

The City of Windhoek is aware of the public notice issued by the Electricity Control Board (ECB) on 27 June 2024. This notice directs local authorities to cease blocking prepaid electricity meters as a means of recovering arrears on non-electricity-related charges and to explore alternative debt recovery methods that comply with relevant legislation.

The ECB's directive contradicts the constitutional and statutory mandate of the Windhoek Municipal Council. This directive, widely circulated in the public domain, has not been formally communicated to the Windhoek Municipal Council. It is perplexing that a decision with such far-reaching consequences could be made without affording the Council an opportunity to be heard, as stipulated in Article 18 of the Namibian Constitution.

In response to this matter, the City of Windhoek is mandated by the Local Authority Act, Act 23 of 1992, as amended, to provide municipal services to its residents. In delivering these services, the City enters into contractual agreements with each client, outlining the obligations of both parties. Under these agreements, the City of Windhoek provides municipal services, while clients are expected to pay for these services to ensure their continued provision.

Section 31 of the Electricity Act 4 of 2007 allows a licensee to reduce or discontinue electricity to a customer if the customer has failed to pay any fees, charges, or monies due. This provision does not specifically state that the fees must be related to electricity. The current provision grants the licensee authority to discontinue services which are not electricity-related if the customer fails to pay any fees, charges, or other monies due to a Local Authority.

Paragraph (c) of Section 31 of the Electricity Act further states that electricity supply to a customer may be discontinued if the customer fails to comply with the conditions of supply. The conditions of supply are outlined in the contractual relationship between the

Council as a license holder and the customer. Breach of this agreement due to nonpayment may result in the discontinuation of the electricity supply.

The City's Credit Control Policy empowers the use of innovative, cost-effective, efficient, and appropriate methods to collect debts owed to the Council. However, some clients do not adhere to this agreement, making it challenging for the Council to collect outstanding debts through other means. As a result, blocking prepaid electricity meters has been employed as a last resort to encourage clients in arrears to settle their outstanding accounts. It is important to note that the inability of clients to pay for services adversely affects the Council's operations, impeding its ability to provide services to other residents.

Recognizing that the City of Windhoek is not violating any laws by employing this method of blocking the prepaid meters due to outstanding fees, the City will continue to use prepaid meter blocking as a complementary measure alongside other debt collection methods. This approach ensures the financial sustainability of the city's services and encourages timely payments from residents. The accumulation of unpaid bills can lead to a significant financial shortfall for the City, affecting its ability to provide essential services and hindering other civic initiatives.

The City of Windhoek, as a local authority, is an important tier of government. To continue operating efficiently and effectively, it must ensure that its clients fulfill their obligations to pay for municipal services. Failure to do so can cause chaos and anarchy, impeding the Windhoek Municipal Council's ability to legally exercise its mandate.

2. ANOMALIES DETECTED IN SOME ACCOUNTS ON OUR BILLING SYSTEM

The City of Windhoek has detected anomalies in some accounts within our billing system through its internal controls and this is contrary to reports that it was discovered by the community members. The affected accounts have been flagged and isolated. The Council has sourced the services of an external investigator (Deloitte) to conduct a forensic investigation on this matter. This matter has our urgent attention, and we are committed to resolving it with the highest level of professionalism.

Due to the nature of the investigation, we cannot disclose further details at this time to preserve the integrity and quality of the process. We assure our residents that this issue is being handled meticulously. The outcome of the investigation will guide our subsequent actions and any necessary corrective measures.

3. OVERCHARGED OR UNDERCHARGED MUNICIPAL ACCOUNTS

We are aware of concerns raised by some residents regarding overcharged accounts. If a client's account is overcharged or undercharged, they should contact our Customer

Contact Centre with their account details for further investigation and assistance. Overcharging or undercharging of municipal accounts can occur occasionally due to errors in billing, meter readings, or data entry. While these issues are not ideal, they are not uncommon in large-scale municipal operations like ours.

When such errors are detected, customers should promptly review their account statements and verify the charges. If an error is suspected, clients are advised to contact our Customer Service to initiate an investigation. The City will investigate the claim, and if an error is found, an adjustment will be made to correct the overcharge or undercharge. This could involve issuing a credit to the account for overcharges or recalculating the bill for undercharges. Regular internal audits and system checks are conducted to ensure accuracy. Through these measures, both clients and Council can ensure fair and accurate billing for services.

We encourage any residents with concerns or irregularities in their accounts to report them directly to our Customer Contact Centre at 061-290 3777 or enquiry@windhoekcc.org.na

4. STATUS OF INFORMAL TRADING WITHIN THE CITY

On the pressing issue of informal trading within our city. The City of Windhoek, established under the Local Authorities Act, Act 23 of 1992, as amended and as the seat of Central Government, bears the noble responsibility of ensuring order, safety, and prosperity for all its residents.

The mandate of the City of Windhoek is derived from Section 30 of the Local Authorities Act, which empowers us to regulate, control, and maintain markets, and to prohibit and control various trades and activities to prevent public nuisances and ensure safety. Our regulations aim to maintain the city's order and uphold the quality of life for all its inhabitants. We are therefore alive to the understanding that The City must ensure a conducive environment for all our stakeholders and residents which must be orderly at all time.

Informal Trading Regulations

The informal trading sector is one of the fastest-growing sectors in the City, and as such, it needs to be properly managed to avoid conflicts between informal trading activities, the formal sector, and the physical environment. To achieve this, the Municipal Council of Windhoek has formulated the Informal Trading Regulations under Section 94(1) of the Local Authorities Act, 1992. These regulations were first gazetted in 1999 and reviewed in 2007. Currently, we are undergoing another review, jointly funded with the Friedrich Ebert Stiftung Namibia (FES).

During this review process, consultations will be held with traders, representative organizations like the Namibia Informal Sector Organisation, and other key stakeholders. The objectives of the review include:

- Understanding the dynamics of informal and formal trade and their behavioural patterns.
- Ensuring that the by-laws and policies governing informal trade create an enabling environment for informal traders.
- Enhancing the rights of informal traders through municipal by-laws and policies.

Informal Markets Development Programme

The Municipal Council of Windhoek has initiated an open markets development program across different suburbs to provide suitable and safe trading areas for both traders and the community. This program aims to provide necessary physical infrastructure and support services to enhance socio-cultural and economic development. Additionally, strategically located sites have been identified for food trucks and other business activities, creating more employment and income-generating opportunities. Currently, the Council has made provisions for 18 open markets.

Market Development Masterplan

Despite the existing markets, there is a need to create more trading spaces to accommodate the growing number of traders operating in unapproved sites. The City of Windhoek is implementing the Market Development Masterplan, identifying and approving 20 additional sites for traders. This project aims to allocate suitable sites within the city, providing basic services such as running water and ablution facilities, depending on available funds. Council will also explore different funding mechanisms to enable the construction of suitable infrastructure.

Preventive Measures

The issue of illegal trading has escalated due to the high influx of people moving to the city, contributing to increased unemployment levels. Consequently, some residents have turned to illegal trading in areas such as Soweto market (U-Save), Hereford Street, Wernhil Mall vicinity, in front of Shoprite in the CBDs and many other locations across Windhoek. These activities have led to littering, loitering, traffic obstructions, and fire hazards, which impede our ability to manage the city effectively. The unregulated sale of food using open flames poses significant risks, including potential damage to properties and infrastructure.

To address these challenges, the City Council, through the Windhoek City Police Service (WCPS), has been actively engaging vendors to educate them on food safety, vehicle, and pedestrian safety. Our goal is to ensure compliance with the General Health Regulations, Road Traffic Regulations, and other relevant laws. The WCPS conducted an operation along Independence Avenue and Clemens Kapuuo Street amongst others, where illegal vendors were found occupying sidewalks, posing significant risks to pedestrians and motorists. Despite initial cooperation from the vendors to relocate to safer areas, external instigations disrupted the process, necessitating police intervention to enforce compliance.

Conclusion

In conclusion, the City of Windhoek is committed to balancing public safety with the needs of our community. Neglecting these issues could lead to significant consequences, including potential lawsuits and safety hazards. We must adhere to fire safety laws and regulations, ensuring proper safety measures are in place to protect both vendors and property owners.

We manage 18 markets across Windhoek, but the growing urbanization and unemployment challenge us to expand these facilities. In 2023, we approved a Markets Master Plan to mitigate these gaps, with priorities set for the 2024-2025 financial year. However, we require financial support from the central government to fully realize these initiatives. We strive to find amicable solutions that balance community needs and regulatory compliance.

Dear media representatives, dear residents, we have come to the end of our briefing.

Thank you very much for your attendance and attention.

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