



NamRA

Namibia Revenue Agency

STRATEGIC PLAN 2021 - 2026



STRATEGIC PLAN

2021-2026



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STATEMENT FROM THE BOARD CHAIRPERSON

Since its establishment in April 2021, NamRA has diligently pursued its mandate to administer and enforce Namibia's revenue laws. As stipulated by law, our Board is tasked with crafting the strategic vision and mission of NamRA, ensuring a long-term plan for the Agency's operations. Additionally, we oversee and provide guidance on financial matters and the recruitment process and other crucial components of our Agency's functionality.

I am pleased to acknowledge the commendable efforts of NamRA in implementing its Strategic Plan over the years. The dedication and commitment of our team has been instrumental in achieving our objectives thus far.

As we embark on the final term of our board, scheduled to conclude in December 2024, it is with a sense of pride that we reflect on the milestones achieved and challenges overcome. The revision of our Strategic Plan is to include contemporary issues and reinforce corporate governance standards underscores our dedication to flexibility and high standards.

The Strategic Plan for 2021 - 2026 outlines nine strategic objectives aimed at enhancing operational efficiency, taxpayer compliance, and facilitating legitimate trade across borders. Our focus remains on promoting transparency and fairness in the tax environment, guided by principles of accountability and integrity.



NamRA's role as a key contributor to the sustainable development of Namibia's economy cannot be overstated. By aligning our efforts with the broader national development agenda, we aim to foster a culture of compliance, innovation, and excellence in tax administration.

In closing, I extend my gratitude to all stakeholders for their continued support and collaboration. Together, we will continue to propel NamRA towards greater heights of success and service to our nation.

Anna Nakale-Kawana
Board Chairperson

MESSAGE FROM THE COMMISSIONER

I am pleased to present NamRA's revised Strategic Plan for the years 2021 – 2026. Our commitment to effective tax administration and revenue collection remains unwavering as we embark on this journey towards operational excellence and service delivery. This inclusive document outlines our key priorities and strategies to drive our mission forward and to realise our vision of becoming a world-class revenue agency.

NamRA, established in accordance with the Namibia Revenue Agency Act No. 12 of 2017, holds a pivotal role in administering and enforcing various revenue laws to ensure compliance and facilitate legitimate trade across borders. Our revised Strategic Plan now entails four Strategic themes: Revenue, Customer, Internal Processes and Governance, and Results-driven People and nine Strategic Objectives, all aimed at enhancing operational efficiency, service delivery, taxpayer compliance, and trade facilitation.

Reflecting on our journey, NamRA has achieved significant milestones in revenue collection and compliance, contributing to the growth of our national economy. Our success in exceeding revenue targets and expanding our revenue base demonstrates our commitment to excellence. Our operational achievements, including taxpayer education programs, streamlined services, and strategic partnerships, have been instrumental in our success. These initiatives have enhanced our service delivery, compliance efforts, and overall effectiveness in revenue collection.

I extend my heartfelt appreciation to all who have played a role in NamRA's success – from the government and development partners to the taxpaying community, the



private sector, stakeholders, our Board of Directors, and our dedicated staff. Your support and collaboration have been essential in achieving our goals. We rely on the continued support of our stakeholders to successfully implement this Strategic Plan and drive positive change for our nation.

Looking ahead, NamRA is focused on delivering key strategic outcomes, including improved customer service, enhanced tax compliance, employee development, and organisational capacity strengthening. These outcomes will guide our efforts to meet the evolving needs of our dynamic society and expand our impact.

As we move forward, let us continue in our efforts to contribute to domestic revenue mobilisation in support of the country's social development goals. Together, we can make a meaningful impact and drive positive change for the benefit of all Namibians.

Sam SHIVUTE
Commissioner

LIST OF ABBREVIATIONS

| | | |
|----------------|---|--|
| AfCFTA | - | Africa Continental Free Trade Area |
| ASYCUDA | - | Automated System for Customs Data |
| ATAF | - | African Tax Administration Forum |
| DTAs | - | Double Taxation Agreements |
| EOI | - | Exchange of Information |
| IMF | - | International Monetary Fund |
| GIZ | - | German Corporation for International Cooperation |
| NamRA | - | Namibia Revenue Agency |
| ICT | - | Information Communication Technology |
| IFFs | - | Illicit Financial Flows |
| ITAS | - | Integrated Tax Administration System |
| MFPE | - | Ministry of Finance and Public Enterprises |
| OTA | - | Office of Technical Assistance - US Treasury |
| WCO | - | World Customs Organization |
| SACU | - | Southern African Customs Union |
| SADC | - | Southern African Development Community |
| UCR | - | Unique Consignment Reference |
| UN | - | United Nations |
| UNODC | - | United Nations Office on Drugs and Crime |
| VAT | - | Value Added Tax |
| WTO | - | World Trade Organization |

EXECUTIVE SUMMARY

The Namibia Revenue Agency (NamRA) was established in accordance with section 2 of the Namibia Revenue Agency Act No. 12 of 2017. NamRA's mandate is to administer and enforce the following Revenue Laws:

- (a) Customs and Excise Act, 1998 (Act No. 20 of 1998) as amended
- (b) Income Tax Act, 1981 (Act No. 24 of 1981) as amended
- (c) Export Levy Act, 2016 (Act No.2 of 2016)
- (d) Petroleum Taxation Act, (Act No. 3 of 1991)
- (e) Stamp Duties Act, 1993 (Act No.15 of 1993)
- (f) Transfer Duties Act, 1993 (Act No. 14 of 1993)
- (g) Value Added Act, 2000 (Act No. 10 of 2000) as amended

NamRA has reviewed and extended its Strategic Plan for the next two financial years in line with our commitment to effective tax administration and revenue collection. This revised plan now encompasses nine Strategic Objectives aimed at enhancing operational efficiency, service delivery, taxpayer compliance, and facilitating legitimate trade across borders.

The Agency's revised Strategic Plan 2021 - 2026 is shaped by its mandate to:

- Assess and collect taxes and duties on behalf of the State in terms of the laws set out in the Schedule.
- Receive and record all revenue on behalf of the State;
- Enforce the Tax and Customs & Excise Laws with respect to the collection of revenue as provided by those laws;
- Levy penalties and interest on overdue accounts, collect unpaid taxes and impose liens over properties, as provided by revenue laws;
- Provide Customs and Excise services that facilitate trade, maximise revenue collection, and protect Namibian borders from illegal importation and exportation of goods;
- Improve service delivery to taxpayers and promote compliance with the revenue laws;
- Provide information to and advise the Minister on all matters relating to the administration and collection of revenue in terms of the laws set out in the Schedule.

NamRA's strategic focus continues to centre on promoting transparency and fairness in the tax environment, guided by the principles of accountability and integrity. With a renewed strategic approach and expanded Strategic Objectives, NamRA is well-positioned to reinforce its pivotal role as a key contributor to the sustainable development of the country's economy. By aligning the Agency's efforts with the broader national developmental agenda, NamRA is committed to fostering a culture of compliance, service delivery, innovation and excellence in revenue administration.

VISION, MISSION AND VALUES

OUR VISION

We aspire to be a world-class Revenue Agency, serving with passion to positively impact the livelihoods of every Namibian.

OUR MISSION

We administer and enforce the revenue laws of Namibia with consistency, fairness, efficiency and effectiveness in an effort to mobilise domestic revenue.

OUR VALUES

INTEGRITY We have set ourselves, high ethical standards in the execution of our duties and strive to do what is right in all circumstances.

FAIRNESS We treat everyone in the same situation equally.

DIVERSITY We recognise and appreciate differences in ethnicity, backgrounds, age, skills, perspectives and education. We believe that a diverse workforce is one of our biggest assets.

EFFICIENCY We will continuously identify and develop solutions to address inefficiencies in our processes, systems and operations to be customer-centric and improve service delivery.

AGILITY We believe in the concept of continuous improvement, embracing change, leveraging on Information Communication Technology (ICT) and always ready to respond to the demand of digital transformation.

The NamRA Leadership Model

Leading with passion to positively impact the NamRA Culture

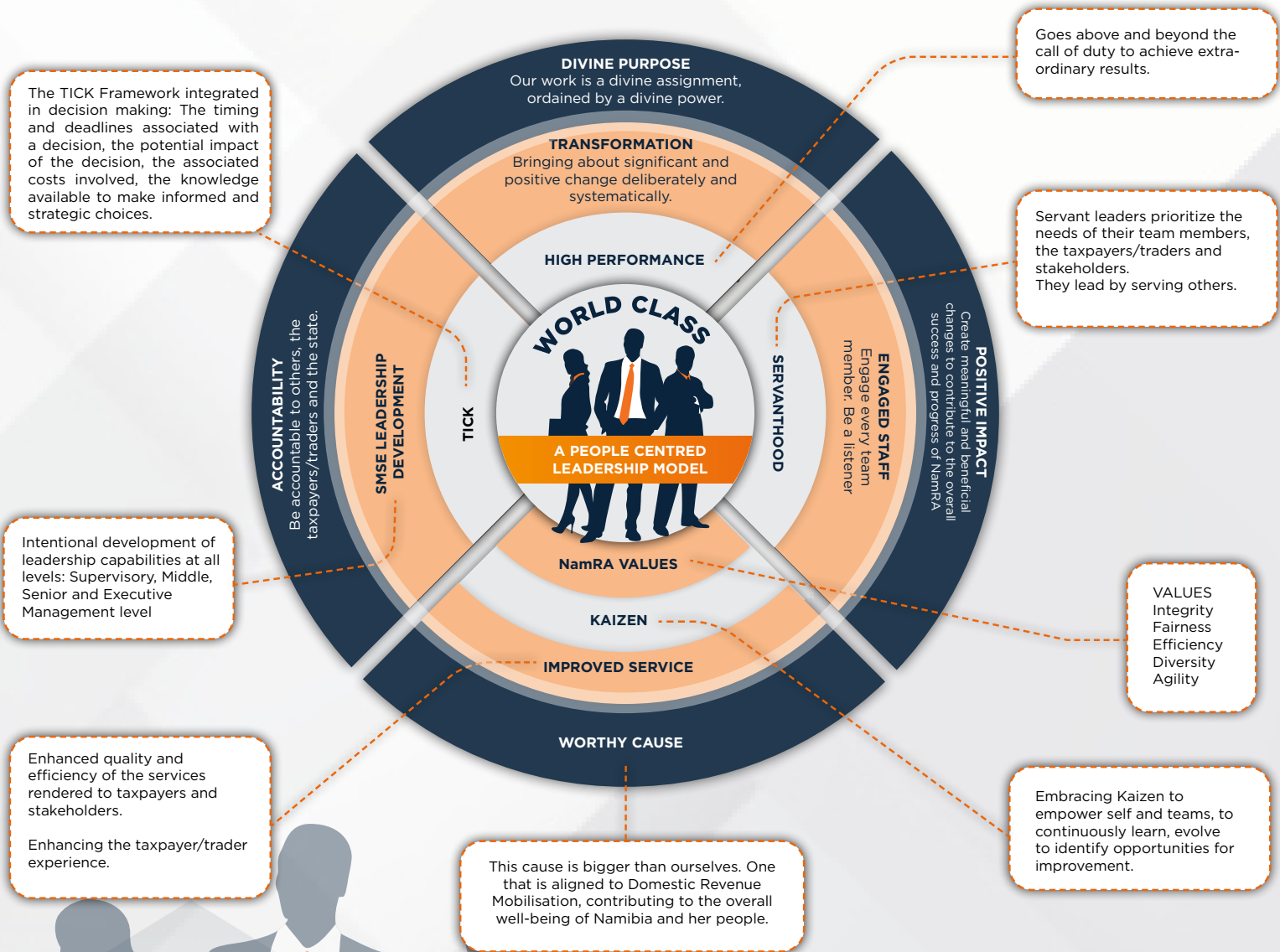
The Commissioner and his Senior Leadership team developed a NamRA Leadership Model in 2023. The Model is designed with the goal of providing a structured framework to guide and shape the behaviors, actions and decision-making of all NamRA Leaders.

The leadership model shall serve as a foundation of the NamRA culture. It sets the tone for a culture that values integrity, innovation and inclusivity.

Every leader in NamRA Shall:

1. Serve with passion and execute the strategy
2. Work in and on NamRA
3. Be a servant striving for a worthy cause.

Every NamRA leader shall exemplify and embody our leadership model as a guiding principle in their actions and decision-making.



ENVIRONMENTAL SCANNING




Economic Outlook

The Namibian economy is currently experiencing a notable transformation, characterised by the emergence of new sectors. This shift is accompanied by a growing population, as reflected in the latest national Census data indicating a population growth of 3.02 million. This demographic expansion not only brings about fiscal responsibilities but also signals potential market opportunities for economic growth and development. In line with the insights of the economic scholar Adam Smith, a productive tax system plays a crucial role in ensuring the financial health of the treasury by effectively collecting sufficient revenue. By reducing deficit financing, a well-managed tax system can mitigate negative impacts on economic growth, fostering a stable and sustainable economic environment. Bank of Namibia projected domestic economy to decelerate to 3.7 percent in 2024 before improving to 4.1 percent in 2025. The projected slowdown is largely on account of weaker global demand and slower growth in the primary sector. With recent oil discoveries and the Green Hydrogen project in the pre-feasibility stage, there is optimism that these developments could spur to employment creation, economic growth, and industrialisation, especially if certain components are domesticated.

The persistent sluggish growth in various sectors of the economy may persist as oil prices continue their upward movement after the main OPEC+ producers extend their oil cuts as a precautionary measure to stabilise the oil market. Thus, it is expected to impact inflation levels that were starting to slow down. The upward inflation expectation is aided by recurring droughts in Southern Africa. In addition, supply-induced inflation might increase monetary risk (repo rate hikes) further by the end of 2024. The cost of capital remains elevated, spilling across sectors and affecting the deployment of capital, due to the central bank's measures to keep inflation under control.

The outlook also looks gloomy for the agricultural sector, particularly livestock and rain-fed crops, as the current drought compel many communal farmers to de-stock in order to avoid losses. Subsequently, a low supply of throughput for abattoirs and a low supply of weaners is expected throughout the year. These factors are projected to impact revenue collection from the beef sector and duties collected from weaners' exports.



Another gloomy outlook for revenue collection stems from rising production costs attributed to high electricity rates (ECB increasing bulk tariffs). As the price of oil keeps increasing, this will also push up prices of goods that are already elevated in the economy corroding the purchasing power of consumers. Thus, private consumption is expected to slow down in response to high prices, impacting the collection of VAT until prices stabilise. The reduced private spending/consumption is expected to be exacerbated by the high level of unemployment in the country. In the medium term, the absence of large-scale employment creation projects suggests that personal income tax revenue is unlikely to see significant growth. The fishing sector has, however, shown mixed signals, with a reduction of fish landing in several fish varieties as reported in the 4th Quarter of 2023 Agriculture Bulletin. The outlook for the sector looks negative as fish landing continues to decrease. Horse Mackerel dominates the country's fishing sector in terms of volume and markets, which also translates into diversified revenue collection.

The country's service sector is expected to continue growing driven by various projects such as mine expansions (Langer Heinrich and Bannerman Etango Project), consultations and feasibility studies for the oil and gas industry. Depending on the extent of the local content utilisation, these projects could boost revenue collection.

Regional integration is slowly picking up, with various bilateral moves between Namibian, Zambia, Botswana. The launch of the 24-hour operation border posts will increase trade between Namibia and the rest of Africa. This is expected to improve operational efficiency and market access for Namibia enterprises.

The determining factor going forward amid external factors, climate-induced phenomena and various projects being at infant stages, improved tax compliance is essential to maximise revenue collection. Thus, to minimise the potential impact of various negative outlooks projected, optimising collection efficiency will be crucial for the Agency.

ENVIRONMENTAL ANALYSIS

External Environment Analysis

PESTEL ANALYSIS

This section assesses major external factors at international, national, regional, or local events that could influence NamRA's operations. PESTEL (Political, Economic, Social, Technological, Environmental and Legal) analysis will assist the Agency to recognise and capitalise on opportunities offered by the existing conditions in the business environment. Furthermore, this analysis is useful in identifying current or possible future challenges.



POLITICAL

- Political stability (Peace and rule of law) Namibia enjoys a stable political environment.
- Good governance in the public sector encourages better service delivery and improved accountability.
- Government support (MFPE) for future successes in budget funding, tax policy reviews, enforcement actions, and political will for policy reforms.



ECONOMIC

- Improved performance in mining, tourism and manufacturing industries.
- Regional and International Economic cooperation. Namibia is an active member of the following bodies: SADC, SACU, IMF, ATAF, UN, WTO and WCO
- Bilateral and multilateral agreements on trade.
- Co-operation with other Revenue Agencies.
- The Special Economic Zones which are designed to create and boost economic growth by capitalising on foreign direct investments.
- Implementation of the African Continental Free Trade Area (AfCFTA).
- Higher inflation rates, such as the current inflation rate of 4.8% impact the cost of living, doing business, borrowing, and every other facet of the economy.
- Rising interest rates increase the cost of debt, resulting in decreased business activities and lower revenue generation.
- Illicit economic activities.
- Volatile Exchange rate.
- Namibia grey-listed.
- Improved Roads, Railway, and Port infrastructures will attract investors and tourists, enhancing economic growth.



SOCIOLOGICAL

- Diverse cultures in Namibia – diverse ideas and innovation
- Social Transformation
- Gender equality and women empowerment
- Social Welfare
- Chronic diseases increase public expenditure and the reduction of the active labour force affecting economic growth.
- High levels of social ills such as corruption, fraud, money laundering, and non-compliance negatively impact revenue collection.
- Rural-urban migration
- High unemployment rate



TECHNOLOGICAL

- Emerging technologies.
- Automated systems, e.g. ITAS, ASYCUDA World, E-certificate, UCR.
- Cybercrime, fraud, and spam pose a threat to the security of data and systems.
- The integration of a National Single Window will simplify and modernise trade operations



ENVIRONMENTAL

- Abundance of renewable energy sources that can be exploited commercially, e.g: solar energy, green hydrogen.
- Drought, floods, and veld fires affecting the agriculture sector.
- Oil spills in the ocean are a threat to marine life, affecting the fishing industry and leading to a decline in revenue.
- Ozone-depleting substances, e.g. Carbon dioxide - the main cause of global warming and climate change.
- Illegal wildlife trade and poaching



LEGAL

- Copyrights – creators of works are protected by copyright law.
- Legislative reform
- Service Level agreements, e.g. Contracts and Memorandum of Understanding with key stakeholders.
- Delay in the judicial process.
- Lenient tax penalties
- High litigation costs

SWOT ANALYSIS

A SWOT analysis was conducted to determine organisational pains (weaknesses and threats) and enablers (strengths and opportunities). This analysis helps exploit opportunities and overcome weaknesses while protecting NamRA from threats of the external environment through the development of contingent plans. This review was undertaken to contextualise the plan. The analysis was developed through a comprehensive process that involved the collaborative effort of our taxpayers and management team. The tables below present a summary of the SWOT analysis.

Table 1: Strategies to leverage the Strengths

| | IDENTIFIED FACTOR | REQUIRED ACTIONS |
|------------------|--|---|
| STRENGTHS | Political support | <ul style="list-style-type: none"> • Maintain a sound relationship and mutual understanding with the line Ministry and other organs of the state. |
| | Collaboration and support from key development partners (e.g GRN, GIZ, IMF, ATAF, WCO, OTA-US Treasury and the UN) | <ul style="list-style-type: none"> • Maintain the current partnerships and alliances in place. |
| | Semi-Autonomous Institution | <ul style="list-style-type: none"> • Leverage autonomy for innovative policy implementation and efficient resources allocation while also emphasising stakeholders engagement and capacity building to enhance effectiveness and transparency. |
| | Non-intrusive equipment (Scanners) | <ul style="list-style-type: none"> • Invest in the maintenance of equipment. |
| | Governance framework in place | <ul style="list-style-type: none"> • Continuous evaluation, monitoring, and improvement of the Governance framework. |

Table 2: Strategies to mitigate Weaknesses.

| | IDENTIFIED FACTOR | REQUIRED ACTIONS |
|-------------------|--|---|
| WEAKNESSES | Porous Border | <ul style="list-style-type: none"> • Implement Coordinated Border Management. |
| | Lack of technical capacity and training in auditing, transfer pricing, and advanced customs functions, and knowledge gaps in specialised and emerging sectors such as mining, fisheries, oil, and gas. | <ul style="list-style-type: none"> • Develop key technical and specialised skills. • Identify partners to strengthen NamRA's Technical Capacity. |
| | Inefficiencies in administration | <ul style="list-style-type: none"> • Formulate legislative reforms that facilitate administration. • Improve administration efficiency through process re-engineering. • Build a high-performance culture. • Implement the 24hrs and One-stop border posts to improve efficiencies. |
| | Inadequate system support and data analytical capabilities. | <ul style="list-style-type: none"> • Optimise and stabilize core systems. • Capacitate staff with data analytical skills. • Establish data analytics functions. |
| | Inadequate taxpayers and traders' education and engagement | <ul style="list-style-type: none"> • Develop and implement taxpayers' and traders' education strategies. |

Table 3: Strategies to capitalise on Opportunities

| OPPORTUNITIES | IDENTIFIED FACTOR | REQUIRED ACTIONS |
|----------------------|---|--|
| | Improved revenue collections | <ul style="list-style-type: none"> • Simplify tax procedures. • Enhance the taxpayer/trader experience through improved service delivery. • Develop and implement the compliance improvement plan. |
| | Establishment of the NamRA Training Academy | <ul style="list-style-type: none"> • Effective implementation of the Training Academy concept note. |
| | Exchange of information, networking with National and International Organisations | <ul style="list-style-type: none"> • Continue engaging in international and national cooperation to combat tax evasion and improve tax collection. • Seek opportunities for joint initiatives and information sharing. |
| | Emerging technologies | <ul style="list-style-type: none"> • Implement the digital transformation strategy. • Invest resources to explore and develop innovative technologies. |

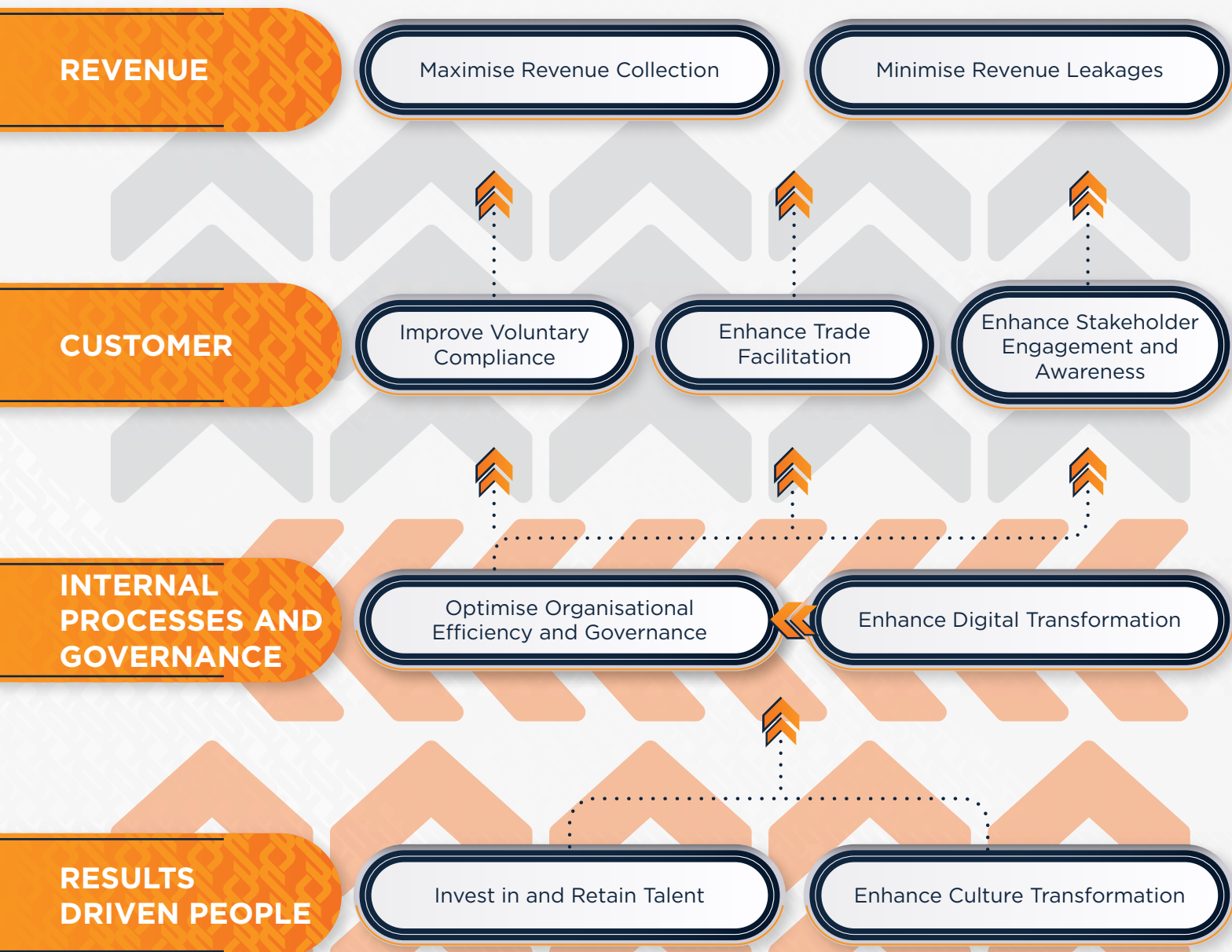
Table 4: Strategies required to mitigate the Threats

| THREATS | IDENTIFIED FACTOR | REQUIRED ACTIONS |
|----------------|-----------------------------------|--|
| | Outdated penalty provisions | <ul style="list-style-type: none"> • Review revenue laws and make recommendations to the Minister of Finance and Public Enterprises. |
| | Fraud | <ul style="list-style-type: none"> • Continuous implementation of the integrity awareness programme. • Implement the whistle-blower policy |
| | Reduced SACU Revenues | <ul style="list-style-type: none"> • Develop tax revenue maximisation strategies such as (Enforcement and Compliance, Freight tax, capital gain tax and Electronic invoicing) |
| | Non-compliance with revenue laws | <ul style="list-style-type: none"> • Implement the Enforcement and Compliance strategy. |
| | Illicit trade and financial flows | <ul style="list-style-type: none"> • Develop and implement NamRA's Action Plan to combat illicit financial flows. |
| | Personnel Security Threats | <ul style="list-style-type: none"> • Enhance workplace security to protect staff from security threats and provide personnel security assistance when needed. |
| | Cyber security | <ul style="list-style-type: none"> • Implement the Cyber Security Plan. |

STRATEGY

A total of **Nine Strategic Objectives** have been identified to propel NamRA towards the realisation of its mandate. These strategic objectives serve as a guide, shaping NamRA towards operational excellence and sustainable revenue collection, while guiding the institution achieving its mandates and realising its Vision of becoming a World Class Revenue Agency serving with passion to positively impact the livelihood of every Namibian.

STRATEGY MAP



STRATEGIC OBJECTIVES

This section outlines the Strategic Objectives, baselines from the concluded financial year 2023/2024, targets for the remaining Strategic Plan period 2025/2026, and initiatives designed to achieve these objectives.

S01: MAXIMISE REVENUE COLLECTION

Strategic Objective Description: This strategic objective is at the core of NamRA's mission. It encompasses a comprehensive approach to enhancing the efficiency and effectiveness of revenue collection processes. It underscores the Agency's commitment to transparency, and accountability in serving the public interest through robust revenue collection mechanisms.

Performance Measures:

Revenue collected to target

TWO-YEAR TARGET



BASELINE
N\$ 76.5 Billion



TARGET
As announced by the Minister



STRATEGIC INITIATIVES

- Optimise Domestic Taxes Revenue
- Broaden tax base
- Enhance debt Management
- Enhance tax compliance
- Optimise Customs and Excise Revenue

S02: MINIMISE REVENUE LEAKAGES

Strategic Objective Description: Focused on implementing robust measures to identify and mitigate instances of tax evasion, fraud, and non-compliance that may lead to revenue losses. By leveraging data analytics, risk assessment tools, and compliance monitoring mechanisms to proactively detect and address potential leakages in the tax system.

Performance Measures:

Revenue collected from administrative efforts

TWO-YEAR TARGET



BASELINE
N\$ 166,5 Million



TARGET
N\$ 350 Million



STRATEGIC INITIATIVES

- Enhance intelligence surveillance and investigation mechanisms
- Enhance revenue controls
- Enhance Strategic Enforcement
- Compliance to International Instruments (EOI, BEPS and DTAs)
- Enhance Compliance Risk Management
- Enhance efficiency and effectiveness of the Tax and Customs audit functions.

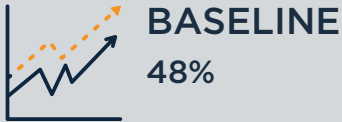
S03: IMPROVE VOLUNTARY COMPLIANCE

Strategic Objective Description: Promoting taxpayer registration, timely filing of tax declarations, on time payment of taxes, and accurate reporting of declarations by enhancing service delivery mechanisms, improving client experience, and rewarding compliant taxpayers.

Performance Measures:

Level of taxpayer compliance

TWO-YEAR TARGET



STRATEGIC INITIATIVES

- Strengthen mechanisms for service delivery, client experience and feedback
- Enhance incentives and reward systems

S04: ENHANCE TRADE FACILITATION

Strategic Objective Description: Creating a more efficient and transparent trading environment that facilitates the smooth flow of goods across borders while ensuring compliance with customs regulations and tax laws. The implementation of Customs modernisation programs is aimed at streamlining Customs procedures, improving trade processes, and reducing barriers to international trade.

Performance Measures:

Implementation level of customs modernisation programme

TWO-YEAR TARGET



STRATEGIC INITIATIVES

- Pursue and improve Customs Modernisation programmes

S05: ENHANCE STAKEHOLDER ENGAGEMENT AND AWARENESS

Strategic Objective Description: Building strong relationships with stakeholders, including individual taxpayers, businesses, government agencies, and the general public, to increase awareness and understanding of tax policies, regulations, and compliance requirements. It aims to foster open communication, collaboration, and trust between NamRA and its stakeholders to ensure mutual understanding and support for tax initiatives and reforms.

Performance Measures:

Implementation level of the engagement strategy

TWO-YEAR TARGET



BASELINE
NEW



TARGET
100%



STRATEGIC INITIATIVES

- Enhance strategic partnership with key stakeholders.
- Enhance taxpayer knowledge and awareness.

S06: OPTIMISE ORGANISATIONAL EFFICIENCY AND GOVERNANCE

Strategic Objective Description: Enhancing the internal operations, processes, and governance structures of NamRA to improve efficiency, effectiveness, and transparency in delivering tax services and enforcing revenue laws. It aims to streamline administrative procedures, leverage technology and data analytics, and strengthen internal controls and risk management practices to optimise resource allocation, decision-making, and performance management.

Performance Measures:

- Corporate Governance Maturity Level
- Efficiency of Systems and Processes

TWO-YEAR TARGET



BASELINE
Efficiency of Systems and
Processes: TBC



TARGET
Efficiency of Systems and
Processes: TBC



STRATEGIC INITIATIVES

- Optimise business processes
- Improve assets and facilities
- Improve organisational change management
- Optimise the project management function
- Strengthen governance and internal controls
- Strengthen Institutional Risk Management and Security

S07: ENHANCE DIGITAL TRANSFORMATION

Strategic Objective Description: Leveraging technology and innovation to modernise and digitise NamRA's processes, systems, and services for enhanced efficiency, effectiveness, and taxpayer experience. It aims to harness the power of digital tools to streamline tax compliance, improve service delivery, and enhance data management and analysis capabilities.

Performance Measures:

Implementation level of the digital transformation strategy

TWO-YEAR TARGET



STRATEGIC INITIATIVES

- Maintain a robust and resilient ICT Infrastructure
- Develop, optimise and integrate ICT systems
- Build a digital savvy organisation.

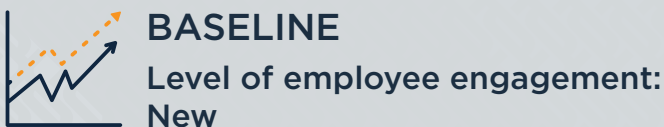
S08: INVEST IN AND RETAIN TALENT

Strategic Objective Description: Focused on leveraging the Employee Value Proposition to attract top talent, provide continuous learning and development opportunities, and promote a supportive and inclusive work environment.

Performance Measures:

- Level of employee engagement
- Institutional performance score

TWO-YEAR TARGET



Institutional performance
Score: TBC



Institutional performance score:
3.5



STRATEGIC INITIATIVES

- Optimise and align the Human Capital to Business
- Attract and retain a skilled and diverse workforce
- Enhance employee engagement.
- Promote employee wellness
- Promote employee health and safety
- Continuous learning and development
- Promote a high-performance culture and accountability.

S09: ENHANCE CULTURE TRANSFORMATION

Strategic Objective Description: This objective aims to transform the NamRA culture by promoting values, behaviors, and norms that align with its vision, mission, and strategic priorities with a strong emphasis on ethical conduct and integrity.

Performance Measures:

Implementation level of Culture transformation strategy

TWO-YEAR TARGET



BASELINE
NEW



TARGET
100%



STRATEGIC INITIATIVES

- Entrench the NamRA culture
- Promote an ethical workforce



STRATEGY EXECUTION

This section outlines how NamRA will measure the success of each strategic initiative, including key performance indicators, baselines, and targets for each year. It's important to note that the 100% targets are based on the planned activities for a specific year and do not indicate the full attainment of the overall initiative.

| STRATEGIC OBJECTIVES, INITIATIVES | KEY PERFORMANCE INDICATOR | BASELINE | TARGET | |
|---|--|--------------|--------------|------------------------------|
| | | | 2024/25 | 2025/26 |
| THEME: REVENUE | | | | |
| Strategic Objective 1: Maximise revenue collection | Revenue (N\$) | N\$ 76.5 Bil | N\$ 85.3 Bil | As Announced by the Minister |
| Initiative 1: Optimise Domestic Taxes Revenue | Domestic Tax Revenue Collected | N\$ 48.7 Bil | N\$ 57.3 Bil | TBC |
| Initiative 2: Broaden tax base | Number of Newly Registered Taxpayers through Administrative Efforts | New | 4 000 | 4 400 |
| | Number of joint operations conducted | 2 | 4 | 4 |
| Initiative 3: Enhance debt management | Revenue collected to total debt Focused | 3% | 12% | 15% |
| Initiative 4: Enhance tax compliance | On-time Filing Rate (OTFR) | - | 75% | 90% |
| | Submission of Outstanding Returns | - | 75% | 90% |
| | On-time Payment Rate (OTPR) | - | 75% | 90% |
| | Accurate Reporting Rate (ARR) | - | 75% | 90% |
| Initiative 5: Optimise Customs and Excise Revenue | SACU receipts | N\$ 27,8 Bil | N\$ 28 Bil | TBC |
| Strategic Objective 2: Minimise revenue leakages | Revenue (N\$) collected through administrative efforts | 166,5 Mil | 250 Mil | 350 Mil |
| Initiative 1: Enhance intelligence surveillance and Investigation mechanisms | Number of effective mechanisms implemented | 0 | 1 | 1 |
| | Revenue collected (N\$) by Domestic Taxes and Centralised Investigations, Intelligence and Strategic Enforcement | N\$100 mil | N\$150 mil | N\$200 mil |
| | | N\$ 66,5 mil | N\$ 100 mil | N\$ 150 mil |
| Initiative 2: Enhance revenue controls | Number of control mechanisms implemented | New | 1 Mechanism | 1 Mechanism |
| | | New | 6 | 12 |
| | | 0 | 5 | 8 |
| Initiative 3: Enhance strategic enforcement controls | Implementation rate of the enforcement strategy | 50% | 100% | 100% |
| | | 35% | 55% | 65% |

| STRATEGIC OBJECTIVES, INITIATIVES | KEY PERFORMANCE INDICATOR | BASELINE | TARGET | |
|--|---|----------|---------|---------|
| | | | 2024/25 | 2025/26 |
| Initiative 4: Compliance to International Instruments (Exchange of Information, Double Tax Agreements, Base Erosion and Profit Shifting) | Level of compliance to international instruments | 0 | 100% | 100% |
| | Implementation level of the initiatives and mechanisms to curb tax base erosion and illicit financial flows | 0 | 100% | 100% |
| | Amount of assessments raised and collected from multi-nationals through enforcement | New | 75% | 75% |
| Initiative 5: Enhance compliance risk management | Implementation level of the Compliance Improvement Plan | New | 100% | 100% |
| | Implementation of the Customs Compliance strategy | New | 100% | 100% |
| Initiative 6: Enhance efficiency and effectiveness of the Tax and Customs Audit Functions | Rate of the audit yield | New | 100% | 100% |

THEME: CUSTOMER

| | | | | |
|---|---|-----|------|------|
| Strategic Objective 3: Improve voluntary compliance | Level of Taxpayer Compliance | 48% | 60% | 75% |
| Initiative 1: Strengthen mechanisms for service delivery, Client Experience and feedback | Net Promoter score (NPS) | New | 30 | 40 |
| | Satisfaction Rate | New | 75% | 80% |
| | Implementation of the Client Service Charter | New | 100% | 100% |
| Initiative 2: Enhance incentives and rewards systems | Taxpayer/Trader Appreciation day hosted in line with set guidelines | New | 100% | 100% |
| | Implementation of Section 102 of the Customs and Excise Act | New | 100% | 100% |
| Strategic Objective 4: Enhance trade facilitation | Implementation level of the Customs Modernisation Programmes | 34% | 60% | 40% |
| Initiative 1: Pursue and Improve Customs Modernisation Programmes | Number of customs modernisation programmes implemented | 34% | 60% | 40% |
| Strategic Objective 5: Enhance stakeholder engagement and awareness | Level of implementation of the stakeholder strategy | New | 90% | 90% |
| Initiative 1: Enhance strategic partnership with key stakeholders | Nr. of strategic stakeholders conducted | New | 16 | 16 |
| Initiative 2: Enhance taxpayer knowledge and awareness | Nr. of Awareness sessions conducted | 25 | 40 | 40 |
| | Level of taxpayer knowledge and awareness | New | 70% | 85% |

| STRATEGIC OBJECTIVES, INITIATIVES | KEY PERFORMANCE INDICATOR | BASELINE | TARGET | |
|--|---|----------|-----------|---------|
| | | | 2024/25 | 2025/26 |
| THEME: INTERNAL PROCESSES AND GOVERNANCE | | | | |
| Strategic Objective 6: Optimise organisational efficiency and governance | Efficiency of Systems and Processes | New | TBC | TBC |
| Initiative 1: Optimise business processes | Number of processes aligned to international best practice | New | TBC | TBC |
| | Number of processes re-engineered/aligned and implemented | New | TBC | TBC |
| Initiative 2: Improve assets and facilities | Level of the assets and facilities strategy implemented | New | 40% | 80% |
| | Transfer of Assets from MOF | - | 31-Mar-25 | 90% |
| | Maintenance of Assets and Facilities | New | TBC | TBC |
| Initiative 3: Improve organisational change management | Level of successful implementation of change initiatives | 0% | 75% | 75% |
| Initiative 4: Optimise the project management function | Operationalisation of the Project Management Unit | New | TBC | TBC |
| Initiative 5: Strengthen Governance and Internal Controls (accountability, compliance, M&E) | Level of Compliance Management Plan implementation | New | 100% | 100% |
| | Level of institutional compliance | New | 100% | 100% |
| | Implementation rate of Internal Audit Plan | 57.10% | 100% | 100% |
| | Implementation of Risk Mitigation, Internal and External Audit Findings and Developmental Partners Recommendations (Closure rate) | New | 70% | 85% |
| | Corporate Governance Maturity Review | New | 2 | 3 |
| Initiative 6: Strengthen Institutional Risk Management & Security (ICT,Risk & Internal Affairs) | Implementation rate of security policies and programs | 60% | 75% | 85% |
| | Implementation level of the Risk Management Plan | New | 100% | 100% |
| | Implementation level of the Business Continuity Management System Plan | New | 80% | 100% |
| | Attain an ICT Security Maturity level 3-level (Defined) | 2 | 3 | 3 |
| | Risk Maturity level | New | 2 | 3 |

| STRATEGIC OBJECTIVES, INITIATIVES | KEY PERFORMANCE INDICATOR | BASELINE | TARGET | |
|---|---|----------|---------|---------|
| | | | 2024/25 | 2025/26 |
| Strategic Objective 7: Enhance Digital Transformation | Rate of digital transformation strategy | 60.4% | 75% | 100% |
| Initiative 1: Maintain a robust and resilient ICT Infrastructure | Availability and functionality rate of ICT infrastructure | 90% | 95% | 98% |
| Initiative 2: Develop, optimise and integrate ICT systems | Systems Optimisation and Stabilisation (ITAS, ASYCUDA and ERP System) | - | TBC | TBC |
| Initiative 3: Build a digital savvy organisation | Implementation rate of the paperless environment | 30 | 100% | 100% |
| | Implementation level of the Data Strategy | 15% | 50% | 100% |
| | | 0% | 65% | 75% |

THEME: RESULTS DRIVEN PEOPLE

| | | | | |
|--|--|-----|------|------|
| Strategic Objective 8: Invest in and retain talent | Level of employee engagement | New | 70% | 75% |
| | Institutional performance score | TBC | 3.5 | 3.5 |
| Initiative 1: Optimise and align the Human Capital to Business (fit for purpose) | Implementation rate of the strategic workforce plan | 0 | 100% | 100% |
| | Structure aligned to Strategy | 0 | 50% | 65% |
| Initiative 2: Attract and retain a skilled and diverse workforce | Staff Turnover Rate | 0.5 | 3% | 3% |
| Initiative 3: Enhance employee engagement | (Employer of choice Net Promoter score (ENPS)) | 0 | 7 | 7 |
| Initiative 4: Promote employee wellness | Implementation rate of Wellness programmes | 0% | 100% | 100% |
| Initiative 5: Promote employee Health and Safety | Compliance rate with Health and Safety regulation | 30% | 100% | 100% |
| | Implementation rate of SHEQ Programmes | 20% | 100% | 100% |
| Initiative 6: Continuous Learning and Development | Implementation level of the annual training plan | 0% | 90% | 90% |
| | Implementation level of the Leadership Development Program | 15% | 60% | 80% |
| Initiative 7: Promote a high-performance culture and accountability | Level of individual performance (meet expectations) | 0 | 75% | 80% |

| STRATEGIC OBJECTIVES, INITIATIVES | KEY PERFORMANCE INDICATOR | BASELINE | TARGET | |
|--|---|----------|---------|---------|
| | | | 2024/25 | 2025/26 |
| Strategic Objective 9: Enhance Culture Transformation | Implementation level of the culture transformation strategy | New | 100% | 100% |
| Initiative 1: Entrench the NamRA Culture | Culture Assessments | New | TBC | TBC |
| Initiative 2: Promote an ethical workforce. | Implementation rate of the ethics and integrity program | 56% | 100% | 100% |

BUDGETARY PROVISION

We chose a conservative approach to implement the remaining years of our Strategic Plan. The cost is geared towards achieving various programmes and cost drivers as extrapolated in the Strategy. The cost of revenue collection is not easy, taking into consideration the vastness of our country and distance between various NamRA service points.

| COST ACTIVITY | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|----------------------|----------------------|----------------------|----------------------|
| Commissioner's Office | 23,730,760 | 25,154,606 | 26,663,882 | 28,263,715 |
| Support Services | 101,412,672 | 107,497,433 | 113,947,278 | 120,784,115 |
| Information Communication Technology | 135,340,855 | 143,461,306 | 152,068,984 | 161,193,124 |
| Customs and Excise | 59,685,227 | 63,266,341 | 67,062,321 | 71,086,061 |
| Domestic Taxes | 20,001,412 | 21,201,496 | 22,473,586 | 23,822,001 |
| Internal Affairs, Security and SHEQ | 20,318,282 | 21,537,379 | 22,829,622 | 24,199,399 |
| Stakeholder Management | 62,501,102 | 66,251,169 | 70,226,239 | 74,439,813 |
| Human Resources | 858,557,915 | 910,071,390 | 964,675,673 | 1,022,556,214 |
| Funding Evolution | 1,281,548,226 | 1,358,441,119 | 1,439,947,586 | 1,526,344,441 |

Government have been advocating for the expansion of NamRA services, with specific emphasis on enhancing and facilitating trade. The introduction of the One-Stop-Border posts and expansion of border operation hours to the desired 24 hours will surely attract financial projections. Such have not been filtered in as it has been provided for by Central Government.

It is also worth noting that NamRA has inherited a significant number of assets and buildings some of which will require maintenance or replacement. NamRA is also housed and will require its own Head Office, and an extra Capital Budget of N\$ 250 million is hence proposed.

STRATEGIC PLAN
2021-2026