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THE IMPACT OF USAID'S FREEZE:

A SERIOUS BLOW TO NAMIBIA'S HEALTH SECTOR AND WAKE UP CALL FOR CIVIL SOCIETY AND DEMOCRACY



Windhoek, 11 February 2025 – The Namibian Civil Society Non-State Actors Network (NamNet) is deeply worried and concerned about the recent developments in the United States (US) and its direct impact on Namibia.

The newly elected US Executive's immediate suspension of USAID funding and its threats to dissolve the entire agency poses a major setback to essential services and life-saving programmes in Namibia. While we sincerely hope that the separation of powers (the executive, legislative and judicial branches of government are essential elements of any healthy democracy) stays intact in the US, we like to highlight the impact and consequences that this decision has for us here in Namibia.

For decades, Namibia partnered with the US, with the Namibian people benefiting significantly from the support of the American people, which came directly as aid to Namibia's government and to various Civil Society Organisations (CSOs), aka Non-Governmental Organizations (NGOs). The latter proved themselves to be efficient and successful implementers across the country. USAID played a critical role in strengthening economic growth, trade, food security, energy, water, environmental protection, and - most significantly - the health sector. The sudden withdrawal of this support now disrupts life-saving interventions such as antiretroviral therapy, community-based healthcare and outreach programmes targeting vulnerable and marginalized populations. Hence, this is not just a 'lack of funding' issue but a direct and immediate threat to lives of Namibians.

As an umbrella body representing over 1,150 CSOs, some of which are directly or indirectly supported by US foreign aid, NamNet is highly concerned about the severe impact this funding freeze will have on critical services, because CSOs play a pivotal role in bringing health services and other crucial assistance to communities in need.

This unprecedented abrupt freeze in funding and issuing of 'no-work orders' places immense strain on these organizations, jeopardizing crucial service delivery and the continuation of essential social programs and threatening the termination of jobs for nurses, community health workers and other service providers. Those most affected will be the most vulnerable people, e.g. those living with HIV, small children, as well as socially and economically disadvantaged groups in urban and rural communities. Such abrupt actions are not signs of a healthy democracy nor something that should be acceptable among partners within the international community.

As for Namibia, we recognize and appreciate that for several years the government has been developing strategies to reduce its reliance on donor funding to ensure minimal disruption of services when such funding will significantly decrease. However, the abrupt suspension of aid presents an immediate and significant challenge that requires an appropriate response and urgent interventions.

Against this background, we urgently call on the Namibian government to:

1. Engage with affected CSOs to develop immediate contingency plans to safeguard essential services amid this funding crisis.
2. Fast-track the implementation of its new Social Contracting Policy and to work with stakeholders to establish sustainable domestic funding mechanisms that ensure uninterrupted operations of CSOs to enable them to continue providing the important services to communities. While the Social Contracting Policy has been developed in a health-context, it needs to be applied in other sectors, too.
3. Reflect on the broader implications of the current developments, recognizing the need for political stability and good governance by ensuring Namibia maintains a healthy separation of powers, because deviating from will not only threaten peace and stability but will also significantly impact relationships with international donors as well as regional and global partners.

NamNet also calls on the Namibian private sector to not just provide a relatively small portion of its annual profits through “Corporate Social Investment” (CSI) programmes that benefit only a few CSOs (while creating positive publicity in the media), but to:

1. Significantly increase the amount of money spent on CSI/CSR initiatives, which - given the high levels of unemployment and inequality in Namibia - should be at least 20-30% of a companies’ annual profits.
2. Consider long-term strategic partnership with CSOs who are reliably making an impact in the lives of vulnerable and marginalised Namibians, hereby not just sponsoring materials but also covering programmatic and operational costs.
3. Ensure that especially low-level (unskilled and semi-skilled) workers are paid a living wage and that their working conditions are safe and healthy,
4. Consider offering services for unemployed or low-earning Namibians at lower fees than usual. This is particularly relevant for Namibia’s banking sector.

Overall, this situation on the one hand serves as a stark reminder of the importance of healthy democracies (separation of powers), well-planned decision making, good diplomatic relations, empathic visionary leadership, as well as strong international and national partnerships.

On the other hand, it shows how stakeholders from various sectors in Namibia need to come together much more in sincere, dedicated and coordinated ways to jointly steer the development of our country in ways that genuinely promotes and ensures prosperity for all.

We are urging the government, private sector, international partners, and all other stakeholders to take swift action to mitigate the impact of this funding suspension, as the lives of thousands depend on it.

In solidarity with all affected individuals, communities and organisations.

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