



**STATEMENT BY**

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**At the official launching of the  
NATIONAL EMPLOYMENT AND SALARY PROTECTION  
SCHEME FOR COVID-19**

**27 April 2020**

**Honorable Ipumbu Shiimi, Minister of Finance**

Staff of the Ministry of Finance

Staff of Social Security Commission

Esteemed Media representatives

Good afternoon,

This is a very important day in so many aspects that have required all of us to work very hard together towards a huge common goal in the way it has never been done before. We have gathered here today for the launching of what is now

known as the **NATIONAL EMPLOYMENT AND SALARY PROTECTION SCHEME FOR COVID-19**, a joint effort between the Social Security Commission and the Ministry of Finance.

Allow me to briefly explain our specific objectives of the social security Commissions as regards to this financial assistance.

At the onset we considered the following:

- Assessment of comparative global, regional and local intervention strategies pertaining to social protection interventions with regards to COVID 19.
  
- Identification of specific strategies for SSC to contribute to the mitigation of the impact of COVID-19 on the Namibia economy and specifically workers and employers
- Identification of the constitutional, legislative and policy rationale for intervention of Social Security Commission in amelioration of this global pandemic;
  
- Assessment of the financial capacity of SSC to undertake any interventions in mitigating the risks and impact of COVID-19 on the Namibian economy;
  
- Designing of a suitable, affordable and adequate social security COVID-19 stimulus model (short-term and long-term duration) and make recommendation to SSC; and
- Advice on the operational, IT and administrative platform for implementation of the social protection stimulus model with efficacy and efficiency.

Today we are now here where we are set to rollout the program and the following are the objectives of the program:

***Programs and Objectives to be achieved***

1. The **Employer Wage Subsidy Program**<sup>1</sup> selects hard hit industries under 3 sectors. This program is designed to **save jobs**. The program is driven by the following characteristics:
  - a. Employers of affected industries will receive a subsidy based on their total wage bill, driven by an SSC contribution waiver and a cash injection from the state. The program will compensate staff relative to the actual wage bill.
  - b.

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<sup>1</sup> Includes parties registered with the SSC

- c. Prospective beneficiary employers should agree to not retrench staff for the 3 months in question (April, May and June) and should not be allowed to reduce staff salaries by more than 50%
  - d. Any benefits to be received should be netted against any claims the employer in question may have received from the state or other forms of compensation (FIDIC or insurance).
  - e. Any amounts left over can be used in the Affected Employees program noted below.
2. The **Affected Employees** program invites persons to apply for a grant designed to provide compensation for those who have lost income. This program is designed to provide a **safety net** for those who have been adversely impacted by COVID19. Features include:
- a. Applicants should have been registered with the SSC as at 1 February 2020.
  - b. Applicants should be able to prove loss of income related to COVID19<sup>2</sup>.
  - c. Applicants should earn less than N\$50,000 p.a.
  - d. The benefit will be limited to 50% of monthly salary subject to a minimum of N\$1,000 per month for 3 months (April, May and June).
  - e. Benefit will be net of other benefits received from the state (e.g. EIG)

### ***Other Modalities***

1. How will the registration process work?
  - Applicants will apply to the SSC offices and provide information via electronic templates that will be availed on SSC's website.
2. What are the logistics of payment?
  - Both Programs can start receiving applications within the first week of May 2020
  - Payments will depend on applicants' ability to provide required documentation on time.
3. What is the communication plan, how will enquiries be handled?
  - Joint announcements (MoF and SSC) by close of business 27 April 2020
  - Followed by an awareness raising campaign which will be driven by the Commission

It was important that we designed a program that included the key elements of both programs envisioned by the key stakeholders (Government of the Republic of Namibia and the Social Security Commission).

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<sup>2</sup> The SSC will publish detailed eligibility criteria