

# INTEGRATED ANNUAL REPORT



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2016  
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# CORE IDEOLOGY

## OUR VISION

To be the National Standards Body, contributing to a prosperous economy in Namibia and to be known for its excellence.

## OUR MISSION

Promoting standardisation of products for the safety of consumers, the protection of the environment and improved access to global markets.

1. Meeting or exceeding stakeholder expectations.
2. Creating an enabling environment for innovation and learning.
3. Developing and maintaining operational capability and efficiency.
4. Ensuring long-term financial sustainability.

## OUR BRAND PROMISE

Creating peace of mind.

## CORE VALUES

- 1. Focused on performance but fair on people**  
As a knowledge-based agency the competence, commitment and empowerment of its people is paramount to its success. People are its core asset. High performance is expected at all times.
- 2. Standardised excellence**  
The NSI lives by the standards it expects from others.
- 3. Streamlined efficiency**  
Simplifying, and continuously improving the NSI processes.
- 4. Stakeholder and customer-centric service**  
The NSI is designed to seamlessly service its stakeholder expectations and satisfy customer needs.

# ANNUAL REPORT 2015/16

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# NAMIBIAN STANDARD COUNCIL (NSC)



**DR. MARTHA  
KANDAWA-SCHULZ**

Chairperson

**MR. EDWIN  
BEUKES**

**DR. MOSES  
MAURIHUNGIRIRE**

**MRS. PHORTUNE  
KARONGEE**

**MR. THOMAS  
NASHIXWA**

**MR. MICHAEL  
GAWASEB**

**MRS. ASTERIA  
NASHEYA**

**MR. TILEINGE  
ANDIMA**



» Dr. Martha Kandawa-Schulz  
Chairperson

“It further leaves me in no doubt that the organization is on a sustainable and achievable growth path.”

# 2015/16

## STATEMENT BY THE NSC CHAIRPERSON

The Namibian Standards Institution was founded in 2008 and since its inception, it has fully come of age by fully meeting and adhering to the Standards Act 18 of 2005. In alignment with its Core ideologies and the National Development vision of 2030, it is fulfilling its mandate for contributing towards the Namibian economy.

The Namibian Standards Institution develops voluntary standards, which become mandatory when referenced in legislation, regulations and contracts. National standards form the expected minimum requirement for participation in the Namibian market, and as a result they set the benchmark for acceptable practice and quality.

The NSI is one of the key performance indicators (KPI) of the country's national quality infrastructure and its main role is to ensure that products being manufactured and being exported from Namibia comply with various international standards.

To improve understanding of the role of standards in our stakeholder community, the NSI commenced a stakeholder engagement plan in January 2016. We are cognizant of the environmental and sustainability-related challenges the world is currently facing and that is why we have strived to tremendously improve engagement with our stakeholders and expanded our service to customers according to international standards. After receiving positive feedback from our stakeholders during engagement, we set forth conducting a Customer Satisfactory survey in February.

Namibia has one of the leading fishing sectors in the world with annual marine landings of about 550 000 tonnes worth about N\$7 billion. The industry is the third largest contributor of the nation's GDP. The NSI plays a very important role in ensuring that the fish being exported to the European Union and Mozambique comply with the required international standards.

As we continue to pursue a paradigm shift to transform the organization to one that is driven by service delivery and customer satisfaction, we have

managed to maintain our testing and inspectorate accreditation status to ISO 17020 in April of 2015.

Despite the various challenges faced in the past financial year, these were some of the notable highlights:

- ▶ Metrology division maintains accreditation in mass and volume.
- ▶ The successful commemoration of World Standards Day and World Metrology Day.
- ▶ Successful hosting of the National Quality Awards.
- ▶ Chie Wasserfall appointed as CEO.
- ▶ Appointment of Clement Daniels as Legal Advisor and Company Secretary.
- ▶ Implementation of the stakeholder engagement plan.

During the year under review, revenue grew with satisfactory margins, which was made possible by the support of committed Council members and a motivated management team. It further leaves me in no doubt that the organization is on a sustainable and achievable growth path. This will be aided by its sustained focus on the development of standards as a pillar of sustainability; continuous improvement in terms of operational efficiencies, capabilities and strategic interventions in the various economic sectors.

I would like to take a moment to thank the leadership and each dedicated employee for sharing my commitment to the institution. Your hard work has set us on the path to sustainable growth and I am excited about what the future holds. I would also like to take this opportunity to congratulate Mrs. Chie Wasserfall on her appointment as the Chief Executive Officer, your leadership qualities resonate in all the great achievements the institution has experienced since your appointment. I further express my appreciation to all the stakeholders involved, the Ministry of Industrialization, Trade and SME Development as well as the Ministry of Public Enterprises for their continued support, guidance and dedication to see NSI move towards achieving its set goals. We together strive to work as a team.

Thank you

**Dr. Martha Kandawa-Schulz**  
Chairperson

# SENIOR MANAGEMENT



**MRS. CHIE  
WASSERFALL**

Chief Executive Officer

**MR. CLEMENT  
DANIELS**

Legal Advisor  
& Company Secretary

**MRS. ROSY JACOBS**

General Manager:  
Corporate Services

**MRS. CECILIA  
HINDA**

General Manager:  
Regulatory  
& Consumer Protection

**MR. MICHAEL  
MBAMBA**

Chief Financial  
Officer

**MRS. MILLICENT  
KAPITAKO**

Internal Auditor

**MRS. LORNA  
SHIKONGO-KUVARE**

General Manager:  
Certification



**Chie Wasserfall**  
Chief Executive Officer



*NSI as a body that is tasked with the development of standards, is integral to Namibia's national development*



# 2015/16 **REPORT** BY THE CHIEF EXECUTIVE OFFICER

The role of National Standards Bodies (NSB's) is constantly evolving internationally. Globalization has led to increased trade within and between countries, whilst the areas considered suitable for standardization has extended to include management systems, the service sector and new technologies.

Standards are increasingly being used to support technical regulations, and are more and more addressing fast-moving and converging technologies. New requirements for standards are a constant feature of the society we live in.

The same is happening in Namibia, where the role of the NSI as a body that is tasked with the development of standards, is integral to Namibia's national and international development. Conformity assessment, accreditation, metrology and standards, which are all components of a country's quality infrastructure, all play a part in the integrated technical mix that is necessary for Namibia to be able to trade successfully, both bilaterally and within the multilateral trading system.

As part of a developing economy, the NSI needs to continually assess its role and contribution to the economy. Therefore, it was imperative to assess customer and stakeholder needs through stakeholder engagement and carryout a customer satisfaction survey.

This Integrated Annual Report serves as a close out report of my first term in office as CEO of the NSI. I have had the privilege of navigating this important institution through the delicate and important transition. Our current Strategic Plan was developed to articulate a path which allows the NSI to tackle new challenges by empowering the organization to become a services-oriented organization, triggering a sense of urgency in fast-tracking the necessary improvements in business operations, customer service, assets, talent and performance management.

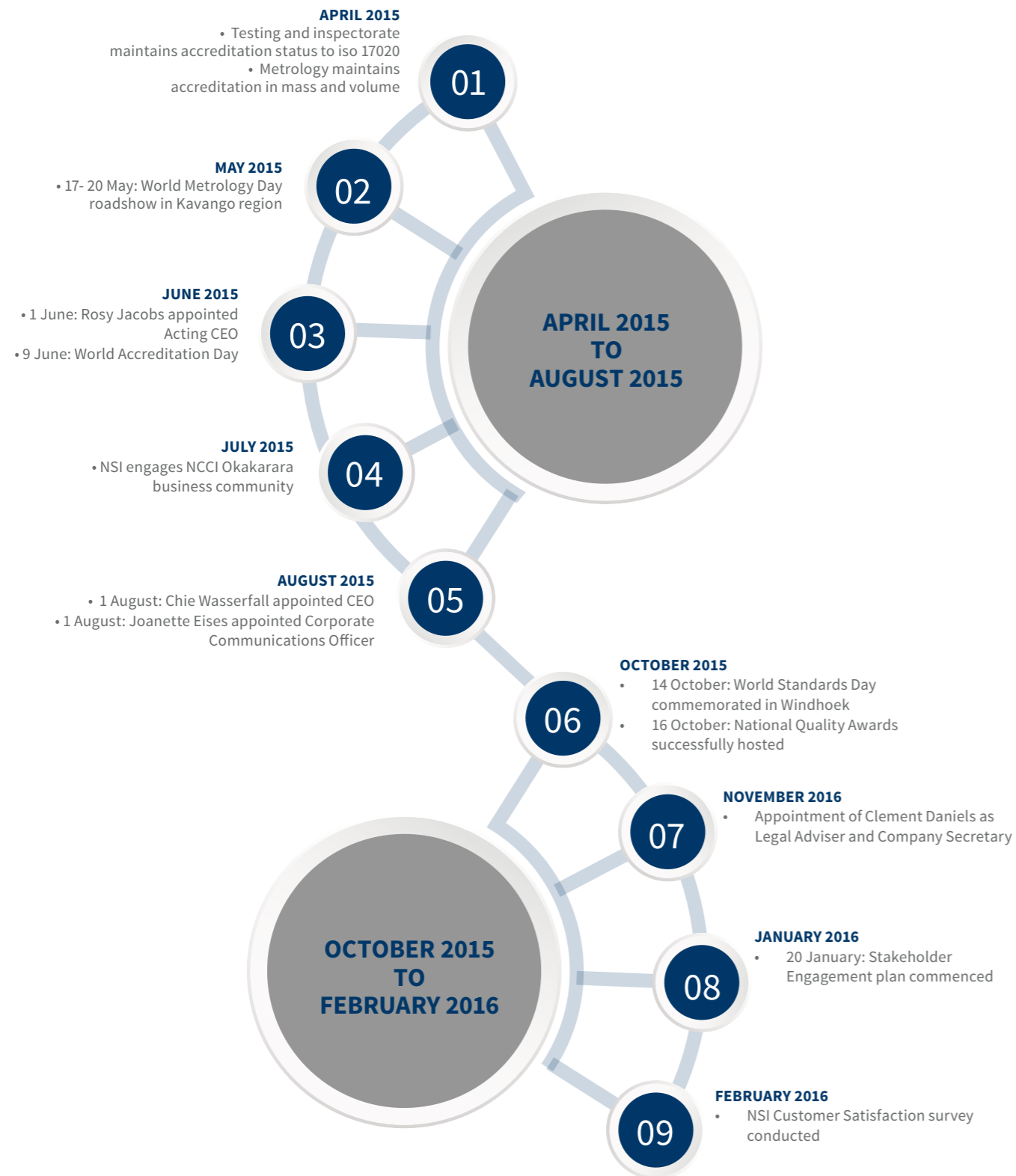
In implementing this renewal strategy, I am pleased to report that the NSI has made significant and measurable progress. We have laid strategic tools in place to adopt and track a mixture of financial and non- financial indicators accordingly, in order to measure performance in the organization in line with various principles, growth, customer centricity, internal operational excellence, competent and empowered employees.

In closing, I would like to extend my sincere appreciation to our line Ministry, the Ministry of Industrialization, Trade and SME Development, the Ministry of Public Enterprises the NSI Management, personnel and Technical Committees for their commitment and support. I would also like to thank the Council of the NSI and all the colleagues at NSI who avail themselves on a daily basis to make our goals attainable.

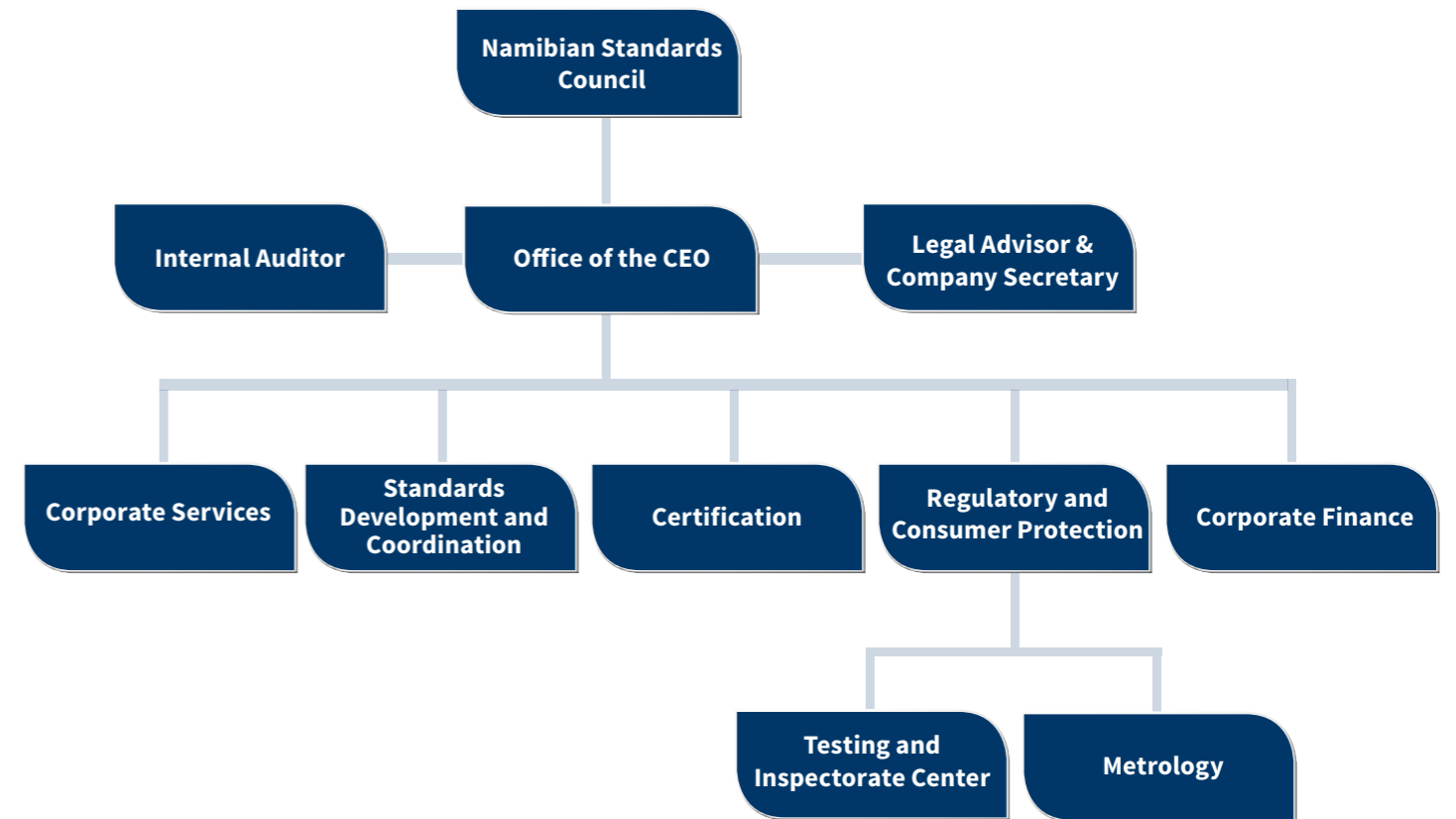
Thank you.

**Chie Wasserfall**  
Chief Executive Officer

# 2015/2016 AT A GLANCE



# ORGANISATIONAL STRUCTURE



# LEGAL AFFAIRS DIVISION

The main functions of the division are to provide legal services to the NSI and legal and company secretarial services to the Namibian Standards Council (NSC). This division is also responsible for governance and legal compliance of the NSI and the NSC. In ensuring compliance with the Standards Act 18 of 2005 and implementing Good Governance Practices, the King III Report and the NamCode are an important guide whilst the Public Enterprises Act 6 of 2006 and its amendments is applicable to the NSI as being one of Namibia's Public Enterprises.

The division provides company secretarial services to the NSC and its four sub-committees: Finance, Risk Management and Audit Committee (FRAC); Tender Committee; Human Resources and Remuneration Committee (HRRC) and Nominations Committee.

The Legal Advisor and Company Secretary is required to arrange and facilitate all Council meetings. All minutes of meetings are compiled, circulated and filed in accordance with Good Corporate Governance requirements. The NSC met in the period under review as indicated in the table below.

## NSC quarterly meetings

During the period under review, the NSC convened 8 meetings, of which 4 were Special NSC Meetings.

## NSC Finance, Risk Management and Audit Committee (FRAC) meetings

During the period under review, the FRAC met four times to assist the NSC relating to budget preparation, expenditure control and financial reporting, risk management, compliance with established policies, plans and procedures, safeguarding assets and maintenance of sound and adequate internal control systems and ethical conduct.

## NSC Human Resources and Remuneration Committee (HRRC) meetings

During the period under review, the HRRC met three times to assist the NSC with regard to policy matters related to human resources, remuneration matters, succession planning, performance management and policy aspects relating to affirmative action.

## NSC Tender Committee meetings

During the period under review, the Tender Committee met once to assist the NSC with the assessment of all tender related expenditure in excess of N\$400,000 and making appropriate recommendations to the NSC on the purchase and/or disposal of NSI assets.

### FOUR SUB-COMMITTEES OF LEGAL AFFAIRS DIVISION:

Finance, Risk Management and  
Audit Committee (FRAC);

Tender Committee;

Human Resources and  
Remuneration Committee (HRRC)

and

Nominations Committee.



## RECORD OF ATTENDANCE OF NSC MEETINGS DURING THE 2015/2016 FINANCIAL YEAR

Meeting dates						
Meeting dates	Status	NSC Quarterly NSC Meetings	Special NSC Meetings	Finance, Risk Management & Audit Committee	Human Resources & Remuneration Committee	NSC Tender Committee
<b>Dates</b>		09.05.2015 29.07.2015 23.10.2015 25.01.2016	20.08.2015 09.09.2015 07.12.2015 22.03.2016	22.04.2015 22.07.2015 20.10.2015 20.01.2016	26.03.2015 13.04.2015 13.07.2015	23.07.2015
<b>Meetings held</b>		<b>4</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>1</b>
Dr. Martha Kandawa-Schulz, Chairperson of NSC	Non-Executive Member	4	4	-	-	1
Mr. Tileinge Andima	Non-Executive Member	1	2	-	2	-
Mr. Edwin Beukes Chairperson of FRAC	Non-Executive Member	4	3	4	-	-
Mr. Michael Gaweseb	Non-Executive Member	4	4	4	-	0
Dr. Moses Maurihungirire	Non-Executive Member	0	1	3	-	-
Mrs. Asteria Nasheya	Non-Executive Member	1	1	-	1	1
Mr. Thomas Nashixwa Chairperson of Tender Committee	Non-Executive Member	4	4	-	3	1
Mrs. Phortune Karongee Chairperson of HRRC	Non-Executive Member	4	4	4	3	-
Ms. Rosy Jacobs Acting CEO	Executive Member	2	-	1	3	1
Ms Conception Wasserfall, CEO	Executive Member	2	4	2	-	-

## HIGHLIGHTS

During the period under review the Legal Advisor / Company Secretary, Ms Notemba Tjipueja resigned in July 2015 and was replaced by Mr Clement Daniels in November 2015. This however did not affect the smooth running of the Legal Division and compliance requirements.

The NSC has adopted many important policies to guide the NSI in its operations and the NSC has also considered the implementation of a salary alignment to make the NSI salaries and benefits more market related.

The Legal Affairs Division has spearheaded the facilitation of the amendments to the Standards Act through a consultative process. The amended Act will streamline the NSI operations and effectively contribute to the achievement of the NSI mandate.

The Legal Affairs Division continues to represent NSI, and indeed Namibia, at SADCTRLC (Technical Regulations Liaison Committee) meetings held annually by SADC SQAM during March of every year. This ensure skills and knowledge sharing with regards the adoption of technical regulations for health and safety of the Namibian populations and the protection of the environment.



# RISK MANAGEMENT, PROCEDURAL AND POLICY COMPLIANCE

The NSI Internal Auditor is tasked to evaluate and contribute to the improvement of Governance, Risk Management and Internal Control Processes.

## NSC Finance, Risk Management and Audit Committee (FRAC)

The committee performs a statutory function as set out in the Companies Act, assisting the Council with oversight over financial reporting and disclosure, internal control and risk management systems, combined assurance functions and IT governance. NSI is applying a combined assurance model to ensure coordinated assurance activities. The committee oversees the assurance activities and the establishment of effective systems of internal control to provide reasonable assurance that NSI's financial and non-financial objectives are achieved and that the preparation of financial statements for external purposes is in accordance with International Financial Reporting Standards (IFRS).

During the period under review, the FRAC met six times to assist the NSC relating to budget preparation, expenditure control and financial reporting, risk management, compliance with established policies, plans and procedures, safeguarding assets and maintenance of sound and adequate internal control systems and ethical conduct.

Some of the highlights were:

- The approval of the revised Internal Audit Charter as well as the Internal Audit Plan 2016/17, approval of the 3 year strategic plan
- Approval of the ICT Policy
- Approval of the External Auditors Policy, Fixed Asset Policy, Fleet Card Policy,
- Approval of the Financial Management Policy
- Approval of the Procurement Policy in line with the Procurement Act 2015
- Monitoring the implementation of the action plans as outlined on the Governance and Risk Management frameworks.
- Approval of the business plan and strategic plan

The Audit and Risk Committee has concluded, based on the information and explanations given by management and the Internal Audit Department, as well as through discussions with the external auditors, that the system and process of risk management and compliance are adequate and that the internal accounting controls are adequate to ensure that the financial records can be relied on for the preparation of financial statements.

# STANDARDS DEVELOPMENT AND COORDINATION

The main functions of the Namibian Standards Institution (NSI) are to develop or adopt standards in accordance with the World Trade Organization and International Organisation for Standardisation requirements. The Department continuously promotes Namibian standards (NAMS) and international standards addressing Namibian needs as well as engaging stakeholders. This is achieved by participating in various local events such as seminars, workshops, meetings, trade fairs and the distribution of the NSI Quarterly Newsletter.

The Department will continue to recognize the efforts and commitments of TC members by rewarding them with Certificates of Appreciation. The NSI through this department will continue to host and commemorate the annual World Standards Day commemoration through various activities.

## HIGHLIGHTS

- 64 international standards were adopted as Namibian Standards during this financial year.
- Two National standards are in the process of development by the NSI TC 3 Food Safety Management Systems and TC 9 on Metrology.
- During the period under review 91 standards were sold to the value of N\$112 000
- Consultations on the National Quality policy review underway during the second quarter of 2016 for public and private sector
- The successful hosting of the National Quality Awards on the 16 October 2015

As per mandate from the line Ministry, the NSI would continue to facilitate and coordinate the implementation of the NQP by hosting the Annual National Quality Awards Competition. The NQP desk is planning to increase the number of Namibian winners at the 2016/2017 SADC Quality awards.



## Technical Committees and sub-committees

A Technical committee is a group of interested groups and experts who form part of the development of standards. There are thirteen Technical Committees and two Sub-Committees established since NSI inception in 2008:

No	NSI TC	Title of the TC
1	NSI TC 1	TC on Renewable Energy
2	NSI TC 2	TC on Quality Management Systems (QMS)
3	NSI TC 3	TC on Food Safety Management Systems (FSMS)
4	NSI TC 4	National Electro-technical Committee (NaEC)
5	NSI TC 5	TC on Environmental Management Systems (EMS)
6	NSI TC 6	TC on Construction, Cement and Concrete Technologies
7	NSI TC 7	TC on Halaal Products
8	NSI TC 8	TC on Occupational Health and Safety Management (OHSAS)
9	NSI TC 9	TC on Metrology (Measurement standards)
10	NSI TC 10	TC on Roads Construction, Vehicle and Road Safety
11	NSI TC 11	TC on Hospitality Infrastructure and Tourism
12	NSI TC 12	TC on Design of Dry Sanitation facilities and systems in Rural areas and informal settlements
	Sub Committee No 1	Sub- Committee for the Development and Adoption of Namibian Standards on the Requirements for Above fuel storage Tanks
	Sub Committee No 2	Sub- Committee on Meat and Agricultural Products

## Namibian Standards (NAMS) developed during the period under review

No	ISBN of Namibian Standard (NAMS)	Particulars and Description of the Namibian Standards
1	ISBN 978-99945-80-26-2	NAMS/ISO 10001:2015 Quality management – Customer satisfaction – Guidelines for codes of conduct for organizations
2	ISBN 978-99945-80-27-9	NAMS/ISO 10002:2015 Quality management – Customer satisfaction – Guidelines for complaints handling in organizations.
3	ISBN 978-99945-80-28-6	NAMS/ISO 10003:2015 Quality management – Customer satisfaction – Guidelines for dispute resolution external to organizations
4	ISBN 978-99945-80-29-3	NAMS/ISO 10004:2015 Quality management – Customer satisfaction – Guidelines for monitoring and measuring
5	ISBN 978-99945-80-30-9	NAMS/ISO 10005:2015 Quality management systems – Guidelines for quality plans
6	ISBN 978-99945-80-31-6	NAMS/ISO 10006:2015 Quality management systems – Guidelines for quality management in projects
7	ISBN 978-99945-80-32-3	NAMS/ISO/TR 10013:2015 Guidelines for quality management systems documentation
8	ISBN 978-99945-80-33-0	NAMS/ISO 10014:2015 Quality management – Guidelines for realizing financial and economic benefits
9	ISBN 978-99945-80-34-7	NAMS/ISO 10018:2015 Quality management – Guidelines on people involvement and competence
10	ISBN 978-99945-80-35-4	NAMS/ISO/TS 22002-4:2015 Prerequisite programmes on food safety- Part 4: Food Packaging manufacturing
11	ISBN 978-99945-80-36-1	NAMS/IEC 60055-1:2015 Paper-insulated metal-sheathed cables for rated voltages up to 18/30 kV (with copper or aluminium conductors and excluding gas-pressure and oil-filled cables) - Part 1: Tests on cables and their accessories

12	ISBN 978-99945-80-37-8	NAMS/IEC 60060-1:2015 High-voltage test techniques - Part 1: General definitions and test requirements
13	ISBN 978-99945-80-38-5	NAMS/IEC 62271-100:2015 High-voltage switchgear and controlgear – Part 100: - Alternating –current circuit-breakers
14	ISBN 978-99945-80-39-2	NAMS/IEC 62271-108:2015 High-voltage switchgear and controlgear – Part 108: - High-voltage alternating current disconnecting circuit-breakers for rated voltages of 72,5 kV and above
15	ISBN 978-99945-80-40-8	NAMS/IEC 62271-200:2015 High-voltage switchgear and controlgear – Part - 200: A.C. metal-enclosed switchgear and controlgear for rated voltages above 1 kV and up to and including 52 kV
16	ISBN 978-99945-80-41-5	NAMS/IEC 62271-203:2015 High-voltage switchgear and controlgear – Part 203: Gas-insulated metal-enclosed switchgear for rated voltages above 52 kV
17	ISBN 978-99945-80-42-2	NAMS/IEC 61089-1:2015 Amendment 1 - Round wire concentric lay overhead electrical stranded conductors
18	ISBN 978-99945-80-43-9	NAMS/IEC 60502-4:2015 Power cables with extruded insulation and their accessories for rated voltages from 1 kV (Um = 1,2 kV) up to 30 kV (Um = 36 kV) - Part 4: Test requirements on accessories for cables with rated voltages from 6 kV (Um = 7,2 kV) up to 30 kV (Um = 36 kV)
19	ISBN 978-99945-80-44-6	NAMS/IEC 60871-1:2015 Shunt capacitors for a.c. power systems having rated voltage above 1000 V - Part 1: General
20	ISBN 978-99945-80-45-3	NAMS/IEC 62052-11:2015 Electricity metering equipment (AC) - General requirements, tests and test conditions - Part 11: Metering equipment
21	ISBN 978-99945-80-46-0	NAMS/IEC 62054-21:2015 Electricity metering equipment (a.c.) - Tariff and load control – Part 21: Particular requirements for time switches
22	ISBN 978-99945-80-47-7	NAMS/IEC 60099-4:2015 Surge arresters - Part 4: Metal-oxide surge arresters without gaps for a.c. syst16ems
23	ISBN 978-99945-69-43-4	NAMS/IEC 61243-1:2015 Amendment 1 - Live working - Voltage detectors- Part 1: Capacitive type to be used for voltages exceeding 1 kV a.c.

24	ISBN 978-99945-69-44-1	NAMS/IEC 61243-2:2015 Amendment 2 Live working - Voltage detectors - Part 2: Resistive type to be used for voltages of 1 kV to 36 kV a.c.
25	ISBN 978-99945-69-45-8	NAMS/IEC 60364-5-53:2015 Electrical installations of buildings - Part 5-53: Selection and erection of electrical equipment - Isolation, switching and control
26	ISBN 978-99945-69-46-5	NAMS/IEC 61109:2015 Insulators for overhead lines – Composite suspension and tension insulators for a.c. systems with a nominal voltage greater than 1 000 V - Definitions, test methods and acceptance criteria
27	ISBN 978-99945-69-47-2	NAMS/IEC 62501:2015 Voltage sourced converter (VSC) valves for high-voltage direct current (HVDC) power transmission - Electrical testing
28	ISBN 978-99945-69-48-9	NAMS/IEC 60826:2015 Design criteria of overhead transmission lines
29	ISBN 978-99945-69-49-6	NAMS/IEC 60598-2-3:2015 Amendment 1 - Luminaires - Part 2-3: Particular requirements - Luminaires for road and street lighting
30	ISBN 978-99945-69-50-2	NAMS/IEC 60909-3:2015 Short-circuit currents in three-phase AC systems -Part 3: Currents during two separate simultaneous line-to-earth short circuits and partial short-circuit currents flowing through earth
31	ISBN 978-99945-69-51-9	NAMS/IEC 60255-1:2015 Measuring relays and protection equipment – Part 1: Common requirements
32	ISBN 978-99945-69-52-6	NAMS/IEC 60214-1:2015 Tap-changers – Part 1: Performance requirements and test methods
33	ISBN 978-99945-69-53-3	NAMS/IEC 60214-2:2015 Tap-changers - Part 2: Application guide
34	ISBN 978-99945-69-54-0	NAMS/IEC 60076-6:2015 Power transformers –Part 6: Reactors
35	ISBN 978-99945-69-55-7	NAMS/ISO 8589:2015 Sensory analysis – General guidance for the design of test rooms
36	ISBN 978-99945-80-48-4	NAMS/ISO 8586:2015 Sensory analysis – General guidance for the selection, training and monitoring of selected assessors and expert sensory assessors
37	ISBN 978-99945-80-49-1	NAMS/ISO 22004:2015 Food Safety management systems – Guidance on the application of ISO 22000

38	ISBN 978-99945-80-50-7	NAMS/ISO 11133:2015 Microbiology of food, animal feed and water – Preparation, production, storage and performance testing of culture media.
39	ISBN 978-99945-80-51-4	NAMS/IEC 60034-1:2016 Rotating electrical machines
40	ISBN 978-99945-80-53-8	NAMS/IEC 60059:2016 IEC standards current ratings
41	ISBN 978-99945-80-54-5	NAMS/IEC 60137:2016 Insulated bushings for alternating voltages above 1 000 V
42	ISBN 978-99945-80-55-2	NAMS/IEC 60364-5-53:2016 Electric installations of buildings – Part 5-53: Selection and erection of electrical equipment – Isolation, switching and control.
43	ISBN 978-99945-80-56-9	NAMS/IEC 60433:2016 Insulators for overhead lines with a nominal voltage above 1 000V – Ceramic insulator for a.c. systems – Characteristics of insulator units of the long rod type
44	ISBN 978-99945-80-57-6	NAMS/IEC 60445:2016 Basic and safety principles for man-machine interface, marking and identification – identification of equipment terminals, conductor terminals and conductors
45	ISBN 978-99945-80-58-3	NAMS/IEC 60529:2016 Degrees of protection provided by enclosures (IP Code)
46	ISBN 978-99945-80-59-0	NAMS/IEC 60670-1:2016 Boxes and enclosures for electrical accessories for household and similar fixed electrical installation – Part 1: General requirements.
47	ISBN 978-99945-80-60-6	NAMS/IEC 60794-1-2:2016 Optical fibre cables - Part 1 -2: Generic specification – Cross reference table for optical cable test procedures
48	ISBN 978-99945-80-61-3	NAMS/IEC61347-2-8:2016 Lamp controlgear –Part 2-8: Particular requirements for ballasts for fluorescent lamps
49	ISBN 978-99945-80-62-0	NAMS/IEC 61439-1:2016 Low-voltage switchgear and controlgear assemblies- - Part 1 :General rules
50	ISBN 978-99945-80-63-7	NAMS/IEC 61508-1:2016 Functional safety of electrical/electronic/programmable electronic safety-related systems – Part 1 General requirement
51	ISBN 978-99945-80-64-4	NAMS/IEC 62259:2016 Secondary cells and batteries containing alkaline or other non-acid electrolytes – Nickel –cadmium prismatic secondary single cells with partial gas recombination.

52	ISBN 978-99945-80-65-1	NAMS/IEC 62270:2016 Guide for compute-based control for hydro electric power plant automation
53	ISBN 978-99945-80-66-8	NAMS/IEC 62209-2:2016 Human exposure to radio frequency fields from hand-held and body-mounted wireless communication devices – Human models, instrumentation, and procedures – Part 2: Procedures to determine the specific absorption rate (SAR) for wireless communication devices used in close proximity to the human body (frequency range of 30 MHz to 6 GHz)
54	ISBN 978-99945-80-67-5	NAMS/IEC 60076-1:2016 Power transformers – Part 1: General
55	ISBN 978-99945-80-68-2	NAMS/IEC 60076-4:2016 Power transformers – Part 4: Guide to the lightning impulse and switching impulse testing – Power transformers and reactors.
56	ISBN 978-99945-80-69-9	NAMS/IEC 60076-5:2016 Power transformers – Part 5: Ability to withstand short circuit
57	ISBN 978-99945-80-70-5	NAMS/ISO 9806:2016 Solar Energy – Solar thermal collectors- Test methods
58	ISBN 978-99945-80-71-2	NAMS/ISO 9488:2016 Solar Energy – Vocabulary
59	ISBN 978-99945-80-72-9	NAMS/ISO 9553:2016 Solar Energy – Methods of testing preformed rubber seals and sealing compounds used in collectors.
60	ISBN 978-99945-80-73-6	NAMS/IEC 60076-2:2016 Power transformer – Part 2: Temperature rise for liquid-immersed transformer
61	ISBN 978-99945-80-74-3	NAMS/IEC 60076-3:2016 Power transformer – Part 3: Insulation levels, dielectric test and external clearances in air
62	ISBN 978-99945-80-75-0	NAMS/IEC 60076-7:2016 Power transformer – Part 7: Loading guide for oil-immersed power transformers
63	ISBN 978-99945-80-76-7	NAMS/IEC 60076-8:2016 Power transformer – Part 8: Application guide
64	ISBN 978-99945-80-77-4	NAMS/IEC 60076-10:2016 Power transformer – Part 10: Determination of sound levels

## National Quality Policy implementation

Cabinet adopted the National Quality Policy document on the 1 June 1999 as the official government statement highlighting the government's strategic intent and position on all issues concerning quality enhancement and advancement across all sectors of the economy in order amongst others to facilitate access to global market.

### Objectives

The policy is aimed to improve Namibia's international competitiveness and lead to enhanced export performance. The policy is additionally aimed to support Small and Medium Enterprises to conform to national standards and comply with technical regulations thus supporting economic growth.

### Progress

As per several recommendations which emanated from the workshops sponsored under UNIDO Trade Capacity Building for Exports in Namibia it was agreed between the NSI, UNIDO and the line Ministry (MITSD) to review the current NQP document. To this effect, a comprehensive ToR document for the review of the NQP was drafted and is awaiting implementation during 2016 calendar year.



## COMMEMORATION OF WORLD STANDARDS DAY

World Standards Day honours the efforts of the thousands of experts who develop voluntary standards within standards development organizations such as the International Electrotechnical Commission (IEC), and International Organization for Standardization (ISO). The aim of World Standards Day is to raise awareness among regulators, industry and consumers as to the importance of standardization to the global economy.

Around the globe, various activities are chosen by national bodies to commemorate the date.

In Namibia, the day was commemorated on 14 October 2015 under the theme "Standards- the World Common Language", as part of a series of National quality week events which culminated in the hosting of the National quality awards presentation ceremony on October 15, 2015 at Avani Hotel, Windhoek. The Hon Deputy Minister of Industrialization, Trade and SME Development, Mr Pieter van der Walt was the keynote speaker at this evening gala dinner event. The quality week also witnessed a host of other standards and quality promotional activities and live events held throughout the week at different public venues and malls a cross the City of Windhoek.

It is worth noting that three Namibian Companies and one individual who emerged victorious during the 2015 edition of the national quality award winners took part in the 2015/2016 SADC Quality Awards competition. Etosha Fishing Corporation scooped the coveted 2015/2016 SADC Exporter of the year award in large enterprise category, while MPP Civils walked away with the 2015/2016 SADC SME Service of the Year award.



### Division: Publications, Marketing, Sales and Information

The Publications, Marketing, Sales and Information Division, within the Standards Development and Coordination Department, is tasked with the publishing of the Namibian Standards (NAMS), other adopted standards as well as the marketing, selling and sharing of information on standards. This division is guided by the NSI's Mission to promote the standardization of products for the safety of consumers, protection of the environment and improved access to global markets.

### Marketing and Sales

500 Copies of the NSI newsletter was distributed in January 2016 internally and externally to various private companies, Ministries, Offices and Agencies. The department has sold 91 standards to the amount of N\$ 112 513.03 of which 8 are NAMS, 53 are South African National Standards (SANS) and 30 ISO standards.



## STANDARD SALES TREND 2013-2016 (Chart format)

YEAR	NUMBER OF STANDARDS SOLD	VALUE IN N\$
2013/2014	209	N\$122 363.21
2014/2015	179	N\$ 166 208.25
2015/2016	79	N\$ 112 513.03

### Capacity Building

Three staff members attended the following ISO TC Annual Plenary meetings in 2015.

- ▶ Secretary for ISO TC 176 National mirror committee attended the annual Plenary which was held in Hong Kong on 21 – 28 November 2015.
- ▶ Secretary for ISO TC 207 National Mirror Committee attended the annual ISO TC 207 Plenary in New Delhi, India on 4th -12 September 2015.
- ▶ Secretary for ISO TC 34 National Mirror Committee attended the annual ISO TC 34 Plenary in Paris, France on 11th -15th October 2015.
- ▶ The following ARSO Technical Harmonizing Committee meetings were also attended by NSI TC Secretaries and stakeholders in Nairobi, Kenya.
  - ARSO THC 03 - Building and civil engineering
  - ARSO THC 05 – Chemistry and Chemical Engineering
  - ARSO THC 07 – Leather and Textile
- ▶ Two staff members received training on Editing and proofreading in Cape Town South Africa, and one received training on Sales and Marketing Management at the Polytechnic of Namibia (NUST).
- ▶ One staff member attended an Environmental Management Course on Understanding and implementation of Environmental Management Systems (EMS) at SABS, Pretoria, South Africa.

### Challenges

The biggest challenge the department faces, is the lack of national understanding and appreciation of standards. The failure to distinguish between standards and technical regulations, amplifies this problem. In addition, there is a dire need

to identify, list and promote regulators of different commodities and activities as prescribed by the different government acts.

### Participation in International and regional standardization activities:

The department coordinates regional and international standardization activities. The department handles all information between NSI and the ISO Central Secretariat and respond to ISO queries as well as attending to its committees such as Developing Country Matters (ISO/ DEVCO), Conformity Assessment (ISO/CASCO) and Consumer Policy (ISO/COPOLCO). It accesses, downloads and distributes information and responses internally as well as externally on requests or queries from other ISO members. Regionally, the NSI participates in the African Organization for Standardization, Southern African Development Community cooperation in standardization- SADCSTAN, the African, Electro-technical Standardization Commission – AFSEC.

The NSI through this Department deals with National, Regional and International Standardization activities. It is also responsible for handling queries from, AFSEC, ARSO, and SADCSTAN, ISO and IEC as well as their committees such as ISO / DEVCO, ISO/CASCO and ISO / COPOLCO.

The NSI through the various Technical Committees serves as National Mirror Committee for the following ISO and ARSO Technical Committees and have voted for all ballots received during the period under review.

- ▶ ISO/ TC 176 on Quality Management and Quality Assurance,
- ▶ ISO/TC 34 on Food Products
- ▶ ISO/TC 71 on Concrete, Reinforcement Concrete and Pre-stressed concrete, and
- ▶ ISO/TC 242 on Energy Management
- ▶ ISO/TC 283 on Occupational Health and Safety Management System, and
- ▶ ISO/TC 207 on Environmental Management

## CERTIFICATION

The department operates as a Certification Body (CB) in accordance with the requirements of the ISO/IEC 17021 and 17065 standards. These are standards that specify requirements for Certification Bodies. The certification services is a third party assessment of whether an organization's management system meets the requirements specified by applicable management system standards (ISO 9001, ISO 22000 and SANS 10330), or whether products meets the requirements of specific products standards.

Namibian goods and services, that meet the requirements of the applicable Namibian and International standards, are awarded a Certificate of Conformity, bearing a specific and applicable NSI Certification Mark of Conformity. This mark tells the consumer that a product has been found to meet all the requirements of the standards concerned and that the process used in making the product has been assessed to meet the requirements.

### NSI MARKS OF CONFORMITY



### Planned activities

- Transition to offer Quality Management System (QMS) Certification against ISO 9001:2015;
- To attain the skills and knowledge required to meet the certification developmental goals and objectives capacity building interventions are planned for under the ACP EU TBT Programme on various conformity assessment and management system standards to strengthen the current certification operations, as well as to cater for expansion;
- Continue with the competence evaluation process for auditors to determine their ability to apply the required knowledge and skills during audits in line with Clause 7.1.3 and 7.2.4 of the ISO/IEC 17021 Standard, to complete the auditor registration for QMS and FSMS audit;
- Development of new Product Certification Scheme to cater for industry needs.

### Highlights

- An application for accreditation to ISO/IEC 17021 (Conformity assessment – Requirements for bodies providing audit and certification of managements) has submitted to SADCAS during April 2016 for ISO 9001 (Quality Management System);
- Increased in number of Quality Management System Certificates of Conformity issued in accordance with the requirements of ISO 9001:2008; and
- Registration of NSI auditors as Quality Management System (QMS) and Food Safety Management System (FSMS) with the Kenya Bureau of Standards Persons Certification Scheme.

## Challenges

The operating environment remained tight for Certification due to the struggling economy and increasing competition in the certification services market. During the period under review, the following remained as challenges:

- Inadequately established National Quality infrastructure: Certification depends on other components such as standards, regulations, inspection, laboratories and metrology, these components are not well established in Namibia therefore certification cannot operate effectively;
- It has been observed on many occasions that the Certification Body could not offer certain services due to lack of competence or due to high cost of using external expertise;
- Lack of accredited certification service offered by the NSI;
- Lack of readiness by industry to take up certification services with the NSI Certification Body, as they are already certified by other certification bodies;
- Unavailability of Namibian Standards for use in Product Certification;
- Process of standards development (lengthy); and
- Small and Medium Enterprises (SME) lack understanding of quality assurance, they are unable to afford certification services and their products are normally not based on standards.



# REGULATORY AND CONSUMER PROTECTION



NSI WALVIS BAY LABORATORY

## TESTING SERVICES

The NSI Testing Laboratory staff compliment consists of a Laboratory Manager, a Quality Assurance Office, 19 technical personnel as well as administrative and support staff. Staff compliment has grown tremendously in order to meet the increasing demand for testing services from industry and regulatory authorities

During the period under review the Testing Centre at Walvis Bay continued to provide quality analytical services to its internal and external clients, thereby maintaining its regulatory programmes, meeting of export requirements and the attainment of NSI's strategic objectives. The Testing Centre has the technical resources and expertise to provide analytical services over a wide range of sample types required by its clients and according to with regulatory requirements. These services include microbiological and chemical analyses on fish and fishery products, shellfish, dairy products, meat and meat products, environmental sur-

veillance samples, such as swabs and air quality plates, potable water, sea water, ice and effluent water.

The Microbiology laboratory of the Testing Centre has extended its services offered by obtaining accreditation for the Maldi-Tof Mass Spectrophotometer (VITEK MS), procured in 2013. The instrument is routinely used to perform identification and confirmations for *Salmonella* spp., *Listeria* spp., *Vibrio* spp. and *Clostridium perfringens* isolated from the samples. The Vitek MS is an automated microbial identification system that uses innovative mass spectrometry technology with Matrix Assisted Laser Desorption Ionization Time-of-Flight, or MALDI-TOF in short, to provide bacterial and fungal identification results in minutes. This reduces the testing time for pathogen methods from 10 days to 3-5 days. The laboratory endeavors to work in the coming 2016/2017 period to extend the list of bacterial and fungal pathogens for which it has obtained accreditation on the Vitek MS.

The Chemistry Section experienced the unfortunate breakdown of the Hydra C instrument used to test for mercury (Hg) content in solid samples of fish and fish products during the 2015/2016 period. The repairs of this instrument could not be completed during 2015/2016 and thus the laboratory requested to enter voluntary suspension of accreditation for this method pending the successful repairs of the instrument. Mercury pollution of seawater, and thus of fish stocks, is a matter of global concern because of its impact on our oceans' ecosystems and the potential adverse effects on human health. Unlike most other pollutants, mercury is mobile, non-biodegradable, and bio-accumulative. It should therefore be monitored particularly in larger fish such as tuna but is a requirement for all fishery products. Ongoing service provision to the customers have been ensured through subcontracting of samples for mercury analyses to competent accredited regional laboratories.

## New business

Heavy metal testing services are now routinely provided to the fishing industry as well as the NSI Inspectorate. Due to instrumentation problems experienced during 2015/2016 the volume of work processed by the Chemistry laboratory decreased. Figure 1 below depicts the growth in the number of tests completed during the term under review, for both internal and external customers of the NSI Testing Centre Chemistry Laboratory.

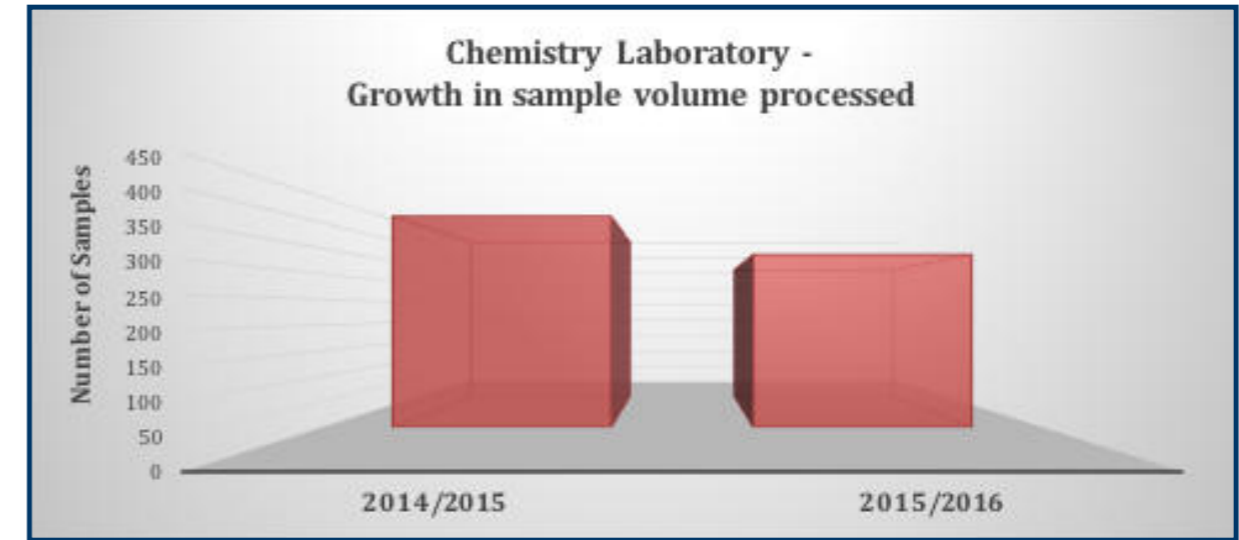


Figure 1: Sample volumes during the financial years 2014/2015 and 2015/2016 for the Chemistry Section.

The Microbiology laboratory steadily increased its customer base and has experienced an increase in the volume of samples processed during 2015/2016 as compared to previous years with the expansion of its accreditation scope. Figure 2 demonstrates the growth in samples experienced over the year under consideration.

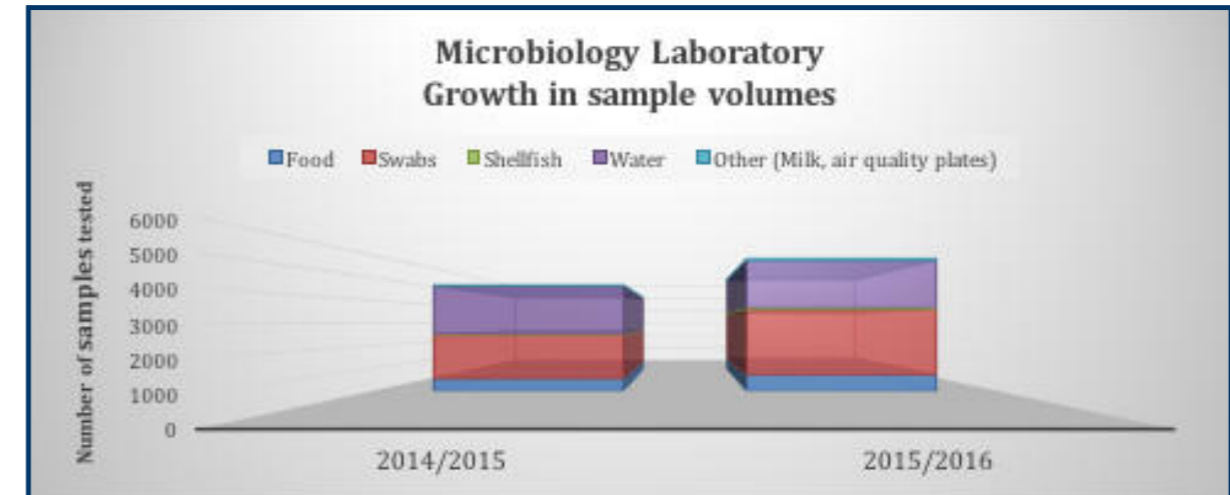


Figure 2: Sample volumes during the financial years 2014/2015 and 2015/2016 for the Microbiology Laboratory.

## Accreditation- External Scrutiny

The Testing Centre continues to operate in accordance with a documented Quality Management System, based on an international standard for competence of testing laboratories (ISO/IEC 17025:2005). It is accredited by the South African National Accreditation Services (SANAS) as being in compliance with this standard for key analytical procedures since May 2011 (facility number T0449), therefore the laboratory's results enjoy international acceptability. Maintenance of this accreditation status requires an annual surveillance visit by an assessment team from SANAS, the accreditation body.

To ensure continued provision of accredited analytical services to clients, the laboratory has since 2010 continuously developed its staff to attain technical proficiency as technical signatories (personnel declared by SANAS as technically competent to issue results). Continued development of technical signatory capacity ensures efficient processing of sample results, in line with the growth of the testing scope as well as the increase in sample volumes processed by the laboratory. The graph below depicts the number of technical signatories at the Testing Centre during the period 2011 to 2016.

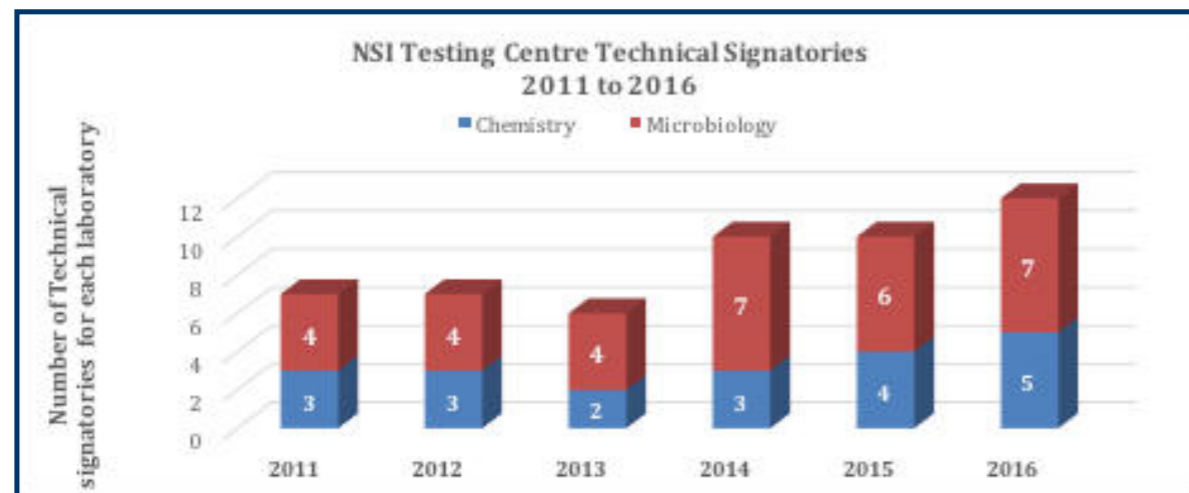


Figure 3: Technical signatories at the Testing Centre during the period 2011 to 2016.

## Accredited Methods

Accreditation is granted in five year cycles and the Testing Centre accreditation cycle was scheduled to expire in May 2016. In order to ensure continued provision of accredited service to our client the Testing Centre embarked on the process to renew the accreditation August 2015 for a new five year cycle. As part of the reapplication process the South African National Accreditation System (SANAS) conducted a full review of the Testing Centers Quality Management System (QMS) during October 2015. In February 2016 an assessment team assessed the implementation of the QMS onsite in conjunction with an assessment of the technical capabilities of both the Chemistry and the Microbiology laboratories. Following the assessment the Testing Centre received In April 2016 confirmation that the accreditation cycle for the period May 2016 to May 2020 has been granted.

The table 1 depicts the schedule of accreditation of the NSI Testing Laboratory for the period 2011 to 2016.

Table 1: Accreditation Schedule for the NSI Testing Centre

#	Sample Type(s)	Types of Tests/properties measured	Test Method/Technical
<b>Chemistry Section</b>			
1	Shellfish	Amnesic Shellfish Poisoning (ASP) toxicity	TM/B/01 by High Performance Liquid Chromatography (HPLC)
2		Diarrhetic Shellfish Poisoning (DSP) toxicity	TM/B/02 by Mouse Bioassay
3		Paralytic Shellfish Poisoning (PSP) toxicity	TM/B/03 by Mouse Bioassay
4	Fish and Fishery products	Lead and Cadmium	TM/B/07 Atomic Absorption Spectrometry (AAS)
<b>Microbiology Section</b>			
1	Fish	Enumeration of Total Viable (TVC) Colony Count	TM/M/01
2		Enumeration of <i>Enterobacteriaceae</i>	TM/M/02
3	Food products (incl. fish and fishery products)	Enumeration of Total coliforms	TM/M/03 (new method)
4	Fish and Fishery Products	Enumeration of <i>Escherichia coli</i> (E. coli)	TM/M/04
5	Food products (incl. fish and fishery products)	Enumeration of Coagulase positive staphylococci ( <i>S. aureus</i> )	TM/M/05 (new method)
6		Detection of <i>Salmonella</i> spp.	TM/M/08 (new method)
7		Detection of <i>Listeria monocytogenes</i>	TM/M/10 (new method)
8	Shellfish	Enumeration of <i>E. coli</i> by MPN method	TM/M/11
9	Potable water, Seawater and effluent water	Enumeration of Total Viable (TVC) Colony Count	TM/M/14
10	Potable water, Seawater	Enumeration of Total coliforms by Membrane filtration	TM/M/15
11		Enumeration of Faecal coliforms and <i>Escherichia coli</i> (E. coli) by Membrane filtration	TM/M/16
12		Enumeration of Faecal streptococci by Membrane filtration	TM/M/17
13	Potable water	Enumeration of Total coliforms and <i>Escherichia coli</i> (E. coli) by Colilert method (rapid test method)	TM/M/18
14	Bacterial cultures	Confirmation by Vitek Ms for <i>Salmonella</i> spp., <i>Listeria monocytogenes</i> , and <i>Staphylococcus aureus</i>	TM/M/21
#	Sample Type(s)	Types of Tests/properties measured	Test Method/Technical

In order to meet the growing needs of the customer the NSI Testing Centre has since the initial accreditation continually grown its scope of accreditation each year. The graph below illustrates the continued growth since 2011.

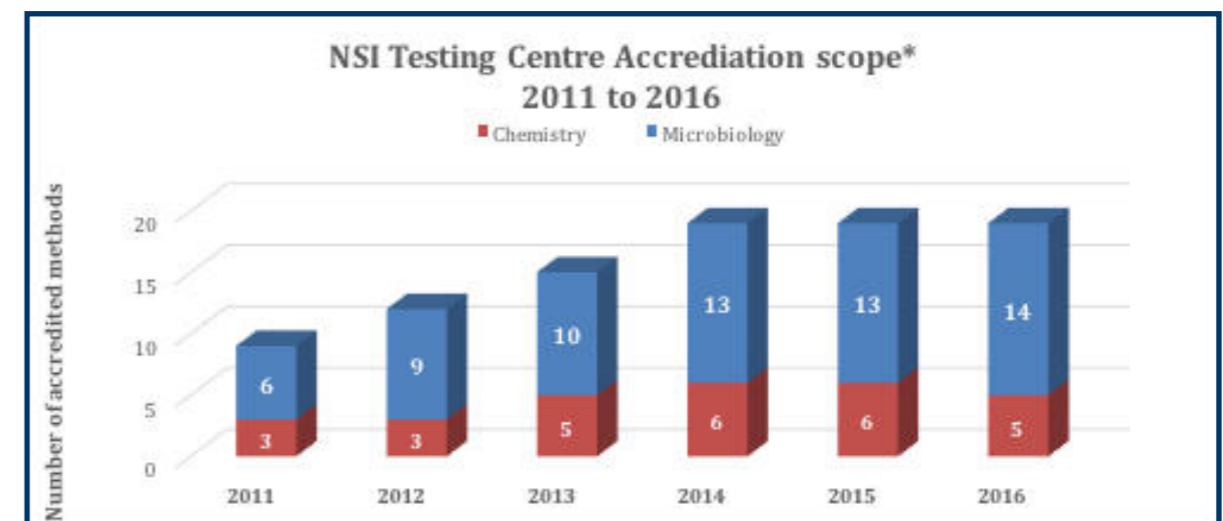


Figure 4: Testing Centre scope of accreditation from 2011 to 2016. \* Accreditation based on ISO/IEC 17025:2005

## Capacity Building

The NSI is a knowledge based institution, thus investment in human capital is vital to ensure the laboratory remains current on technical matters and thereby able to meet the continued growth within the industry.

The NSI Testing Centre prefers to recruit young graduates from the country's tertiary institutions. As such the NSI invests heavily in the development of young talented Namibians. The laboratory has achieved its goals through rigorous on-the-job training to develop skills, utilizing experts to conduct in-house training, building of technical capacity through specialized training and practical attachment at external institutions.

During the period under review the Testing Centre staff participated in numerous capacity building activities covering fields of equipment systems training (HPLC and LCMS/MS), Calibration certificate interpretation, Laboratory Quality Management Systems and health and safety.

To effectively maintain and further develop the Laboratories Quality Management System, two senior staff members attended a two week short course on Laboratory Quality Manager and Laboratory Assessor Training (ISO 17025) training at the renowned Quality Austria Institute, a European Union recognized training course in Vienna Austria during May 2015. Both candidates have successfully passed the training to obtain the EU recognized Quality Managers certification.

The NSI cooperates with Development Cooperation Partners to build both the Institutional Capacity as well as that of human capital. During the period under review the Testing Centre participated in the International Atomic Energy Agency (IAEA) regional African project, RAF5067: "Establishing a Food Safety Network through the Application of Nuclear and Related Technologies". The IAEA through this project has sponsored the attendance of one chemistry staff member to the Regional (AFRA) training course on basic troubleshooting of analytical tools used in food and environmental safety laboratories hosted in Khartoum, Sudan during August 2015. A Microbiologist was sponsored to attend the regional training course on Internal Auditing of food safety laboratories in Harare, Zimbabwe during June 2015 and the Section Head of the Chemistry laboratory attended the African Food Safety Workshop at the Uganda National Bureau of Standards hosted in Uganda during April 2015.

The NSI Laboratory participates in international projects to supplement training initiatives and facilitate knowledge transfer in line with international practices. The project "Trade capacity building for exports in Namibia SAP ID: 100204" is a project funded by NORAD and implemented by UNIDO in coordination with the Government of Namibia through the Ministry of Industrialisation, Trade and SME Development (MITSD). The NSI forms one of three conformity assessment organizations that benefit from this project. During 2015/2016 the project sponsored various training courses. Three Microbiology staff members attended training on method validation procedures for Microbiology laboratories in Windhoek during October 2015. Method validation is a critical skills required for accreditation of test methods. In April 2015, the Testing Centre staff benefited from training on Namibian and International legislation, a first time for training on the National and International Food safety legislative framework within which the NSI operates. The training was facilitated by the international expert in Food safety system, Prof. Lucia Anelich at the Testing Centre in Walvis Bay in a two day workshop attended by all Testing Centre staff.

The Testing Centre has also benefited on the NORAD/UNIDO project through the receipt of laboratory equipment. The Microbiology laboratory received a spectrophotometer, an autoclave, while the Chemistry laboratory received on the project, HPLC columns, a turbidity meter and Certified Reference material used to perform method validations exercises in preparation for accreditation of new methods.

NSI investment in staff development has resulted in two Chemistry staff members received training on operating and maintaining the LCMS/MS instrument from AB Sciex during 2015, while another two staff received training on operating and maintaining the HPLC instrument from Walters.

Safety of staff members while performing official duties remain a priority for the NSI, as such two Microbiology laboratory sampling personnel were trained by the Namibian Maritime and Fisheries Institute (Namfi) on Basic Safety and firefighting techniques while at sea during November 2015. This is a basic safety training course advised for personnel that perform sampling activities on board vessels.

Basic laboratory skills training is vital when new staff are appointed as laboratory assistants to enable them to function competently and safely within the laboratory environment. The Chemistry Laboratory Assistant attended the Laboratory Assistant Workshop Level 1 training in South Africa for this purpose.

This project assisted the NSI to strengthen its capacity by obtaining equipment for new methods as well as training in related technical and management fields.

The Laboratory continued its participation in the IAEA project RAF 5067: Establishing a Food Safety Network through the Application of Nuclear and Related Technologies, during the period under review. The project has been running since 2012 and has allowed the Testing Centre personnel to attend various training courses on food safety in different project member counties. During 2015/2016 three staff members from the Testing Centre attended training, supported under this project.



Front row (FLTR): Ms Paloma Ellitson (course organizer), Ms Le-Anne Bougard, Ms Monica Nekongo, Ms Joan Pohamba, Ms Hermina Namupala, 2nd row: Ms Sally Shiindi, Mr Steve De Vos (trainer), Ms Ivy Mutwa, Ms Anna-Lisa Nseu Back row: Mr Dionisius Shetunyenga, Mr Erastus Uusiku, Mr Onesmus Ashipala



Ms Ivy Mutwa, a Chemist (back row 7th from the right) attended a training course on basic troubleshooting of analytical tools (HPLC) used in food and environmental safety laboratory sponsored by the IAEA and hosted by Khartoum, Sudan during 2 - 6 August 2015.

During April 2016 the Testing Centre successfully hosted and co-sponsored an AFRA regional project training course on measurement uncertainty and microbial food hazard analysis at the NSI Testing Centre in Walvis Bay, Namibia. The purpose of the training was to enhance the knowledge and skills required to effectively calculate and apply uncertainty of measurement in a Microbiology laboratory. It was the first training under the RAF5067 project to focus specifically on Microbiology. A total of twenty three (23) delegates representing thirteen (13) African countries participated in the training course. Namibia was represented by 2 delegates from the Central Veterinary Laboratory in Windhoek and 1 delegate from the City of Windhoek, Scientific Services laboratory and five NSI laboratory staff members.

AFRA regional project training course on measurement uncertainty and microbial food hazard analysis at the NSI Testing Centre in Walvis Bay, Namibia during April 2016.



### Accommodation and Environment

The Testing Centre is hosted in a well-designed laboratory facility that has adequate space allowing for the future growth and expansion of testing activities. The laboratory environmental conditions are strictly monitored on an ongoing basis to ensure suitability for the required testing activities. No problems were experienced with laboratory environment and accommodation during the period under review due to diligent preventative maintenance actions by the laboratory team.

### Customer service

Client service remains a top priority for the NSI Testing Centre, and ongoing engagement with clients both internal and external through contract review sessions ensure that testing services are provided as per client requirements. A customer satisfaction survey was conducted during January 2015 and the results of this survey has been implemented by the Testing Centre during 2015/2016.

The customer survey of 2015 highlighted the need for increased availability of sampling aids including bottles. In order to meet the demand and match the growth of sample volumes the Testing Centre has procured adequate sampling consumables to cater to our customer base in the four coastal towns as well as for the surrounding mining and farming activities. The Nampont Harbor expansion for Walvis Bay harbor has led

to an increase in the number of vessels, which in turn is reflected in an increase in water sampling requirements to ensure safe drinking water on board these vessels, both National and foreign. In order to match the growing demand the Testing Centre has strengthened our approach to training of customers in correct sampling techniques through face to face engagement with clients on sampling techniques, packaging and transport of samples thus ensure a high degree of sample integrity.

### Challenges

The laboratory experienced severe equipment breakdown during 2015/2016 as both the Direct Mercury Analyser (Hydra C) used to test for mercury as well as the Digester used to pretreat fish and shellfish samples for Cadmium and lead analyses were out of order for prolonged period. Samples for these tests were subcontracted to a preapproved accredited laboratory in order to ensure continuous services to clients.

The Testing Centre does not have access to an electricity generator, a crucial equipment that ensures during power failures work can continue and in conjunction with UPS systems protects the equipment in the event of a power failure. UPS system are in place however are not adequate for the longer period power failures that were experienced during the period under review due to national power grid maintenance and upgrading exercises. The Testing Centre experienced increases in equipment maintenance cost and down time due to resulting damage. During the 2016-2017 financial year has made procurement and installation of a generator is planned for the Testing Centre.

## FISHERY INSPECTORATE SERVICES

The inspectorate division provides a number of regulatory services for clients in Walvis Bay, Luderitz and at Meatco's canning factory in Windhoek. This is in line with delivering on the NSI's mandate of ensuring food safety and control of unregulated fishery processing activities.

The technical functions of the division is the physical and organoleptic examination as well as process and product safety monitoring of the following products regulated in terms of compulsory standards to ensure safety of the consumers and protection of the market:

- ▶ Canned Meat and Canned Meat products
- ▶ Canned finfish, Marine Molluscs and Crustaceans
- ▶ Frozen Finfish, Marine Molluscs and Frozen Crustaceans (lobster, langoustines, crabs, shrimps/prawns)
- ▶ Chilled fish for export
- ▶ Salted fish, mostly salted snoek
- ▶ Smoked Snoek

The division is also involved in export certification of above products and HACCP auditing of fishery establishments and fishing factory and freezer vessels. The above products are regulated through offices in Walvis Bay, Luderitz and Meatco canning factory, Walvis Bay is the main inspection centre where other satellite offices report to. The above products are regulated through the following functions:

- ▶ Inspection and surveillance of land based factories and fishing vessels and the evaluation of food processing systems for compliance to statutory requirements;
- ▶ Sampling as well as physical and sensory examination of raw and final products, e.g. chilled fish, frozen fish and canned fish and meat products. The Inspectorate issues health guarantees/certificates on complying consignments destined for export.
- ▶ Monitoring and implementation of the Namibian Model Shellfish Sanitation Monitoring Programme by conducting sampling of oysters, mussels and abalones for testing Biotoxins and microbiological parameters
- ▶ Listing and delisting of establishments on the EU list of competent embellishments exporting into the EC.

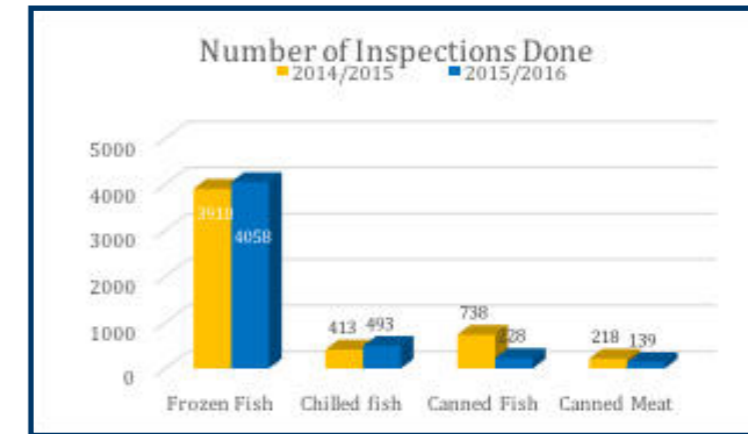
The NSI Fishery Inspectorate Quality Management System is guided by the following quality policy objectives:

- ▶ To maintain competent staff at all times.
- ▶ To reduce the number of major non-conformances raised through internal audits and those raised through external audits by 50% every year.
- ▶ To provide our services to clients within turnaround time 90% of the time.
- ▶ For 100% maintenance of accreditation to ISO 17020 and existing technical signatories for the accreditation cycle.
- ▶ Aims for zero unaddressed customer complaints per year.
- ▶ To use only calibrated and verified measuring equipment at all times.

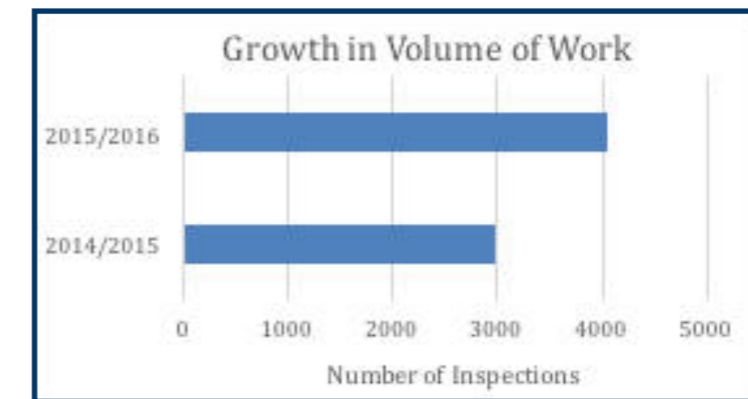


The main products controlled are:

- ▶ Fresh/chilled fish – Hake (Merluccius spp) & Longfin Tuna (Thunnus alalunga);
- ▶ Frozen fish - Hake, Tuna (Long fin, Yellow fin, Skipjack, Big eye Tuna), Sword fish, Marlin, Shark (Blue & Mako), Monk (Lophius spp), Kingklip (Genypterus spp), Squid (Loligo & Todarodes spp), Rock lobsters, Crabs;
- ▶ Canned fish – Sardines in tomato source, Sardines in chili sauce, pickled Hake, curried Hake, Horse Mackerel in vegetable oil, Horse Mackerel in tomato source and Horse mackerel in chili sauce; and
- ▶ Canned meat, mainly corned meat.
- ▶ Salted snoek



Growth in product inspection



Volume of works associated with regulation of compulsory specifications



The number of inspections and products regulated has been increasing over time for frozen and chilled fish products. The increase in frozen and chilled fish inspections is also attributed to new players in the industry from new quota allocation. The number is expected to increase more due to the inspection of horse mackerel export, which was not a case in the past. Canned fishery products has been decreasing over time due to a reduction in resource quota allocation. The quota for canned fish has been reduced over years due to the vulnerability of sardine, which need more time for the stock to recover. The volume of regulatory functions has also been increasing due to increase in number of exports and new products introduced in the industry.

NSI remains committed to the implementation of the Namibian Model Shellfish Sanitation Monitoring Programme, as well as gaining access to the EU market for its bivalve Mollusks. The NSI in collaboration with the Ministry of Fisheries and Marine Resources prepared the draft Shellfish Sanitation Monitoring Regulations, under the Aquaculture Act. The Inspectorate continues with shellfish monitoring to ensure compliance with the Namibian Model Shellfish Sanitation Monitoring Programme, which includes the following tests:

- ▶ ASP, twice a year per farm;
- ▶ DSP, every second week per farm;
- ▶ PSP, once a month per farm; and
- ▶ Heavy metals (Lead, Cadmium and Mercury), PCBs and Benzo Payrene PAH are all tested once a year.

The Ministry of Fisheries and Marine Resources continues to monitor the prevalence of phytoplankton as an early warning system for possible blooming of harmful algae associated with Biotoxin. The Ministry is responsible for closure and opening of production areas in case of poor monitoring results.

### Accommodation

Due to continued expansion of services and growing staff, the current facility of the Fisheries Inspectorate is stretched to its limit by accommodating 19 staff members. Six of the company cars are also continue to be parked outside due to lack of lockup garages at this facility, which is exposing the vehicles to harsh weather conditions. The construction process for a new Inspectorate facility in Walvis Bay has reached an advanced stage, with the construction plans approved by Walvis Bay municipality and construction expected to commence in August 2016. The building has made provision for a canned product laboratory which will be responsible for conducting final product inspection and approval. Currently, all canned products are sent to National Regulator for Compulsory specifications-NRCS in South Africa to for final approval.

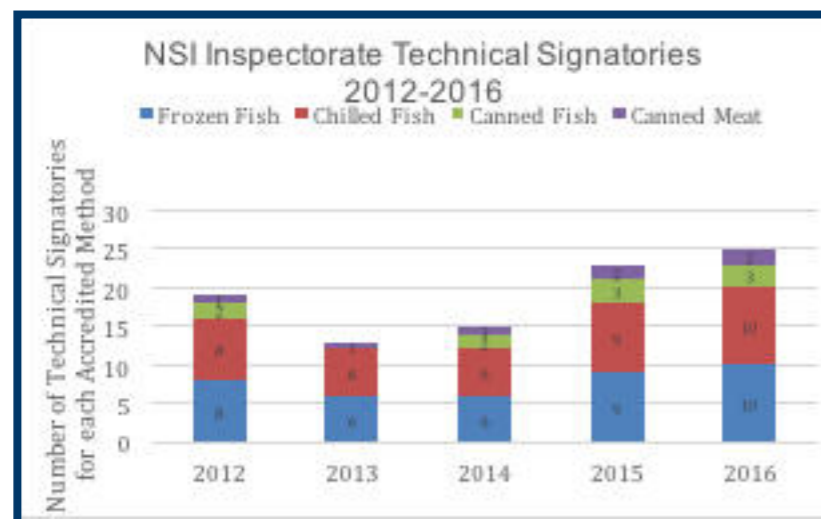
### Capacity Building

Inspectorate prepare an annual training program for inspectors and administrators to ensure continual compliance to capacity and competency building and also to comply with the requirements of the international standard ISO/ IEC 17020, and those of the Accreditation Body (SANAS).

The division continues to offer capacity building opportunities for inspectors in order for them to conduct audits for Hazard Analysis of Critical Control Point (HACCP), food safety system audits for both land-based facilities and vessels. These audits/inspections on fish processing plants and fishing vessels need to verify compliance with EU regulations, EC 852/2004, 853/2004, EC 854/2004& 178/2002. The training conducted under period of review where sourced from FIRI, NRCS and also from independent consultant Mr. Johan Carstens through Nampak.

Course and Institution	Number of Inspectors
FIRI	6
Principle of Canning - NRCS	4
Technology of Marine Products - NRCS	4
Double Seam Evaluation – Nampak	4

## Number of signatories over years



Since initial accreditation, the inspectorate has been retaining sufficient number of signatories to maintaining a team of competent inspectors and results that are worldwide accepted. The graph above depict a positive growth in the number of signatories added to the schedule of accreditation on an annual basis despite challenges.

## Cooperation with other Inspection Bodies (Mozambique & South Africa)

The division has memorandum of understanding with other inspection bodies in the region such as Mozambique's INIP and the NCRS in South Africa where NSI staff visit and share knowledge and best practices. The inspectors further form memberships with international bodies such as the Codex and the International Association of Fish Inspectors. Sensory inter-calibration takes place through visits by some of the inspectors to other accredited and recognised institutions in the fish inspection arena.

The Namibian Standards Institution signed a Memorandum of Understanding (MoU) with the National Fish Inspection Institute of the Republic of Mozambique (INIP), under Protocol No. 5 on co-operation concerning the inspection and certification of fish and fishery products. In accordance with this agreement the NSI is the only Competent Authority to certify fishery products destined for the Mozambican market and it came into force on 1 March 2015. This happened after a grace period of almost two years, which allowed exporters to compile their export requirements.

## Challenges

One of the main objectives of the division is to meet a 90 percent turnaround time therefore the division outsources its testing services to accredited testing laboratories that can assist in meeting this objective. Sometimes the inspectorate makes use of South African laboratories which may incur major costs for the division.

The division is further faced with lack of transport for inspectors to conduct inspection and surveillance activities outside of Walvis Bay and Luderitz.

The division has not been able to its annual training requirements due to lack of resources, which sometimes put pressure on the accreditation status of the division.

Currently inspectorate conduct sampling of shellfish in support of the ministry of Fisheries as the competent authority. The sampling and sample coordination activities takes up a lot of time for inspection work and put more pressure on activities mandated for the division.

# METROLOGY

Metrology is the science and practice of precision measurements. The impetus of facilitating world trade.

The Metrology division is responsible for the maintenance of the National Measurement System and the administration of the Trade Metrology Act No. 77 of 1973, as amended.

The Scientific and Industrial Metrology Section and the Legal Metrology Section perform these two responsibilities respectively.

The Scientific and Industrial Metrology Section is responsible for:

- ▶ Organizing and development of National Measurement Standards.
- ▶ Ensuring the accuracy and measurement traceability of national measurement systems to international system of Units (SI).
- ▶ Implementation of the International Committee of Weights and Measures Mutual Recognition Agreement (CIPM-MRA).
- ▶ Provision of calibration services for trade facilitation, consumer protection and measurement quality assurance. Calibration services are offered on a cost-recovery basis as a means of disseminating measurement traceability to the Namibian industry. Clients range from the fishing industry, other food industries, testing and calibration laboratories and equipment suppliers. During the period under review, The Industrial and Scientific Section calibrated a total of 1,020 measuring instruments.

The Legal Metrology Section is responsible for:

- ▶ Pattern approval of trade and legal measuring instruments;
- ▶ Initial and periodic verification of measuring instrument used for prescribed purposes including trading, collections tolls, fine, rates and taxes;
- ▶ The Inspection of pre-packed goods;
- ▶ Evaluation, registration and control of instrument mechanics; and

## Implementation of the International Committee of Weights and Measures Mutual Recognition Agreement (CIPM-MRA)

The CIPM-MRA provides for international mutual recognition of National Measurement Standards, Calibration and Measurement Certificates issued by signatory National Metrology Institutes (NMIs).

The NSI Metrology Division substantiates its technical competence through participation in inter-laboratory comparisons that are linked to the International Bureau of Weights and Measures (BIPM) key comparisons. It subsequently prepares for the peer review of its Calibration Measurement Capabilities (CMCs) and quality system by the Intra-Africa Metrology System (AFRIMETS), the Joint Committee of the Regional Metrology Organizations and the BIPM (JCRB), in order for CMCs to be recognized and published by the BIPM.

During the period under review, the NSI participated in a bilateral inter-comparison with Zambia Bureau of Standards (ZABS) on calibration of mass pieces. NSI Metrology technical staff are active members of the various AFRIMETS Technical Committees: Legal, Temperature, Mass and related (including Volume) and Length Metrology.

This rigorous process provides a reliable technical basis for the acceptance of results provided through conformity assessment activities (and certificates issued) in Namibia for the purpose of international trade with other countries, particularly those that are signatory to the CIPM-MRA. This is a significant contribution towards eliminating technical barriers to trade as obligated under the World Trade Organization Technical Barriers to Trade (WTO/TBT) Agreement and the SADC TBT Annex of the SADC Protocol on Trade.



## SCIENTIFIC AND INDUSTRIAL METROLOGY: CALIBRATION SERVICES

The mass and volume metrology laboratories are accredited by SADCAS in accordance to the following schedules of accreditation:

### Mass

Item	Measured Quantity / Type of Gauge or Instrument	Nominal Range	Calibration and Measurement Capability Expressed as an Uncertainty ( $\pm$ )
1	Mass Pieces	1 mg to 5 g	0,02 mg
		10 g	0,03 mg
		20 g to 50 g	0,04 mg
		100 g	0,1 mg
		200 g	0,2 mg
		500 g	0,001 g
		1 kg to 2 kg	0,002 g
		5 kg	0,005 g
		10 kg	0,03 g
		20 kg	0,03 g
2	Weighing instruments digital self-indicating	0 g to 50 g	0,0003 g
		50 g to 200 g	0,0006 g
		200 g to 3000 g	0,0003 % + 0,001 g
		3,0 kg to 1500 kg	0,01% + d
3	On-site calibration for items 1 & 2 above		

### Volume

Item	Measured Quantity / Type of Gauge or Instrument	Nominal Range	Calibration and Measurement Capability Expressed as an Uncertainty ( $\pm$ )
1	Micro Pipettes / Syringes (Gravimetric)	1 $\mu$ l to 10 $\mu$ l	0.2 $\mu$ l
		10 $\mu$ l to 100 $\mu$ l	0.8 $\mu$ l
		100 $\mu$ l to 200 $\mu$ l	0,9 $\mu$ l
		200 $\mu$ l to 500 $\mu$ l	1.6 $\mu$ l
		500 $\mu$ l to 1 000 $\mu$ l	8.2 $\mu$ l
2	Glassware (gravimetric)	10 mL to 5L	0.02%
3	Metal Measures (Gravimetric & Volumetric)	1000 ml -20L	0.04%
4	On-site calibration for item 3 above		

The period under review saw the laboratory being recommended for continued accreditation, with an additional technical signatory for the mass laboratory, and a new Management Representative.

Apart from the mass and volume metrology, the laboratory offers calibration services in the field of Temperature Metrology as well, though this service has not been accredited.

### Temperature

Item	Measured Quantity Or Type Of Gauge Or Instrument	Range of measured quantity
1	Thermocouples Noble Metals	-30 °C to 250 °C
	Base Metals	-30 °C to 250 °C
2	Ice Point Reference	0.0 °C
3	Platinum Resistance Thermometers	-30 °C to 250 °C
4	<b>Thermometers</b>	-30 °C to 250 °C
	Liquid in glass	
	Digital Thermometers	
	Mechanical Dial Thermometers	
5	<b>Temperature Installations</b>	-30 °C to 250 °C
	Ovens, Incubators	
	Autoclaves	
	Furnaces	
	Calibration baths	

### Calibration Services Work Statistics

Scientific & Industrial	Quarter 1: 2015/2016	Quarter 2: 2015/2016	Quarter 3: 2015/2016	Quarter 4: 2015/2016	Total 2015/2016 (01 Apr 15- 31 Mar 16)
	(01 April to 30 June 2015)	01 July to 30 Sept (2015)	01 Oct - 31 Dec (2015)	01 Jan - 31 Mar (2016)	
Balances & weights	220	72	129	144	565
Temperature	53	1	176	57	287
Volume	0	1	11	0	12
<b>Total</b>	<b>273</b>	<b>74</b>	<b>316</b>	<b>201</b>	<b>864</b>

### Legal Metrology: Verification Services

The Trade Metrology Act (Act No. 77 of 1973) and its regulations provide for the verification of measuring instruments used for any purpose regulated by the Act, to protect consumers. Verification services continued to be offered by the Legal Metrology Section of the Metrology Division.

## Legal Metrology Services Work Statistics

Legal Metrology	Quarter 1: 2015/2016	Quarter 2: 2015/2016	Quarter 3: 2015/2016	Quarter 4: 2015/2016	Total 2015/2016 (01 Apr 15- 31 Mar 16)
	(01 April to 30 June 2015)	01 July to 30 Sept (2015)	01 Oct - 31 Dec (2015)	01 Jan - 31 Mar (2016)	
<b>Verification: Weights</b>	78	149	68	234	529
<b>Verification: Scales</b>	0	0	0	2	2
<b>Verification: Weighbridges</b>	13	0	5	3	21
<b>Verification: LFDs</b>	387	168	113	59	727
<b>Verification: Volume Measures</b>	1	0	9	3	13
<b>Type Approval: Instruments</b>	0	1	3	0	4
<b>Inspection: Pre-packaged products</b>	0	1	0	2	3
<b>Registered Mechanics</b>	0	0	0	6	6
<b>TOTAL</b>	<b>479</b>	<b>319</b>	<b>198</b>	<b>309</b>	<b>1305</b>

Compliant instruments were sealed and issued with verification certificates. Non-compliant instruments were issued with rejection certificates and the owners and their respective contracted mechanics were notified that the instruments were not suitable for use in the trade. They were re-verified and fit for the trade after repairs were completed. Due to budgetary constraints verification services were only being provided to customers in Windhoek and surrounding areas. Customers far from Windhoek, who were able to afford and cover the travel expenses of NSI staff, also received these services.

### Registration of Mechanics

Mechanics are required by regulations of the Trade Metrology Act should be registered before they can undertake repairs, calibration and maintenance of measuring instruments used for trade. The Metrology Division successfully conducted training on the verification of Liquid Fuel Dispensers (LFDs) and weighing instruments to mechanics who applied for registration.

### Inspection of pre-packed goods

The programme of inspection of pre-packed goods continued during the period under review. Inspectors performed inspections at a number of butcheries, supermarkets and packing facilities. Packers had to address findings on pre-packed goods, to the satisfaction of legal metrology inspectors. One prevalent problem is that the scales are neither approved nor verified, as required by the Trade Metrology Act Regulations.

## Metrology Technical Committee (TC 9)

Technical Committee Metrology (TC9) was established to develop/adopt Namibian Standards. The standards are published in the Technical Regulations for use by the public and also for referencing purposes. The Metrology Division provides technical inputs and chairs meetings of TC9.

During the period under review TC9 has been expanded and its mode of operation revised to cater for the different fields of Legal Metrology (and the location of technical expertise) that require standards for development into legal metrology technical regulations.

The following working groups (WGs) were active during the period under review:

- ▶ WG 06 - OIML R117-1: Dynamic measuring systems for liquids other than water; and
- ▶ WG 07 – OIML R 126: Evidential Breath Analyzers. This standard was published as a Namibian standard during the period under review. The Ministry of works and Transport subsequently referred to the standard as a regulation under the Road Traffic and Transport Act, paving the way for the re-enforcement of evidential Breath Analyzers in Namibia.

This TC has now evolved to a new TC that looks at developing other Namibian Standards required for Road Traffic and Safety, including speed measuring devices.

Other working groups will be established in due course to respond to stakeholder needs for further standards or metrology technical regulations.

## PROJECTS IMPLEMENTED WITH DEVELOPMENT COOPERATING PARTNERS (DCPs)

### UNIDO Trade Capacity Building Project for exports in Namibia

The Metrology Division is a major beneficiary of the UNIDO Trade Capacity Building Project for Namibian exports. During the year under review the project plan was implemented to a satisfactory extent. The Metrology Division benefited from equipment for the Legal Metrology Section (volume measures and scale) and Training.

### Metrology Training Received Under UNIDO DCP Support

No	NAME	COURSE DETAIL
1	Leevi Sakeus	• Quality Austria: Laboratory Quality Manager and Laboratory Assessor Training (ISO 17025), Austria – 18-29 May 2015
2	Sarel Sankwasa	• Temperature Metrology Practical Attachment, NMISA, Pretoria, 31.08-11.09.2015 • Temperature Metrology Level 2, National Laboratory Association, Pretoria (RSA) ) 14-18.09.2015
3	Hosea Shikomba	• Temperature Metrology Practical Attachment, NMISA, Pretoria, 31.08-11.09.2015 • Temperature Metrology Level 2, National Laboratory Association, Pretoria (RSA) 14-18.09.2015
4	Simasiku Matali	• Quality Austria: Laboratory Quality Manager and Laboratory Assessor Training (ISO 17025), Austria, 18-29.05.2015 • Training of Lead and technical Assessors for Testing and calibration Laboratories 27.07.15- 01.08.15 • Temperature Metrology Practical Attachment, NMISA, Pretoria, 31.08-11.09.2015

In a separate Pan-African Project, UNIDO supported the AFRIMETS Legal Metrology School, 8 – 17 October 2015, Hammamet, Tunisia. Two Legal Metrologists attended as participants with the Manager: Metrology attending as a presenter.

### PTB Supported Project for Associate members of the CGPM

The PTB funded a project that supported Associate members of the CGPM within the SADC region, including Namibia. The following activities were successfully undertaken during the period under review.

- ▶ Workshop on preparation of Calibration Measurement Capabilities (CMCs) for publication, Pretoria, South Africa May 2015
- ▶ Peer review of CMCs for the NSI Temperature Laboratory and Liquid-in-glass thermometer inter-comparison, registered with AFRIMETS; February 2016
- ▶ Peer review of CMCs for the NSI Mass Metrology Laboratory; February 2016

This activity will see the review and approval by AFRIMETS TC for Mass and related quantities and the AFRIMETS TC QM. This intra-regional review is required before an inter-regional review by the Joint Committee of the Regional Metrology Organisations and the BIPM (JCRB).

### METROLOGY AWARENESS ACTIVITIES

The Month of May is important to the international metrology community as they commemorate the anniversary of the signing of the Metre Convention on 20 May 1875. This treaty provides the basis for a coherent measurement system worldwide. Namibia participates in the activities of the Meter Convention through its Associate Membership of the General Conference of Weights and Measures (CGPM), having signed the International Committee of Weights and Measures – Mutual Recognition Agreement (CIPM-MRA) in October 2012.

The objectives of the CIPM-MRA are to establish the degree of equivalence of national measurement standards maintained by National Metrology Institutes (NMIs); to provide for the mutual recognition of calibration and measurement certificates issued by NMIs; and thereby to provide governments and other parties with a secure technical foundation for wider agreements related to international trade, commerce and regulatory affairs.

Each year the World Metrology Day is commemorated to raise awareness about the importance of accurate, reliable and internationally accepted measurements. The theme for the year 2015 was **“Measurements and light”**, aligned with the International Year of Light and Light-based Technologies proclaimed by the General Assembly of the UN and organized by UNESCO. Events in 2015 celebrated the central role of light to life, whether as a source of energy, as the basis for photonic technologies or as being a source of wonder and excitement. Metrology, the science and application of measurement, plays a central role in enabling the application and advancement of light-based technologies, whether for more efficient energy production, a better understanding of climate change, or optimal lighting of our cities and towns. In turn, light is at the heart of many of the most important new elements of leading-edge measurement technologies.

### World Metrology Day Commemoration

In 2015, the commemoration of the World Metrology Day, and raising awareness and sensitization on the role of metrology in everyday life was not limited to a one-day activity. Several events being reported below, spanning from May 2015 to February 2016 were undertaken, across different sectors of stakeholders.

Kavango & Zambezi Road Show

Since its inception, the Metrology division has facilitated the celebration of the World Metrology Day in activities that were held only in Windhoek and culminated in gala dinners.

Cognizant of the long overdue awareness campaigns, outside Windhoek, the NSI Metrology division took full advantage of a Road Show that was planned by the National Commission on Research Science and Technology (NCRST), as they prepared for the National Science Festival. One of the Road Shows planned was to the Kavango East, Kavango West and Zambezi regions, which coincided with the World Metrology Day.

Several schools and shopping malls were visited by a team that comprised the NSI, NCRST and CRAN. The NSI team comprised:

Activities undertaken during the Road Show included:

- a) A presentation entitled “Metrology: A Science for consumer protection”
- b) Two videos, one from the PTB on the role of the National Quality Infrastructure, the other from the National Metrology Institute of South Africa (NMISA) depicted the typical role of the National Metrology Institute.
- c) At Schools, Shopping Malls and Town centres: awareness and demonstration of requirements and inspection of pre-packages and on weighing instruments used for trade or any prescribed purpose, explanation of the role of metrology; display of World Metrology Day Banners.
- d) At petrol stations: demonstration of verification of petrol pumps, witnessed and assisted by the public and motorists
- e) Distribution of World Metrology Day Posters, NSI pamphlets, brochures, t-shirts, pens and key rings

The NCRST and CRAN teams complemented the NSI very well in this very successful roadshow. They had planned the event well and invested significantly on the corporate gifts that were available to deserving members of the public, who were asked to perform some simple tasks or puzzles.



The following facilities were visited during the road show:  
Shopping Malls/ Shops - Kavango East, Rundu

- ▶ Shoprite Galaxy Mall
- ▶ Rundu Spar
- ▶ OK Foods, Kavango Supermarket and Bottle
- ▶ Oceano Atlanito
- ▶ Rundu Cash and Carry People's Market
- ▶ Fisal Fresh Produce, David's Family Investment CC
- ▶ Shoprite, Rundu Mall 93372



Mr G Mabakeng and Mr Hosea Shikomba, exhibiting at Rundu Shopping Centre



Kids at Rundu completing a puzzle for a prize



Attentive, as an explanation is given on the importance of verification standard mass pieces



Mr Chakanyuka Mano, Pharmacist: Happy to receive a corporate gift



Matchai explaining the nitty gritties of petrol pump verification to the service station owner.



Schools visited in Kavango Region

- ▶ Elcin Nkurenkuru Secondary
- ▶ St Boniface College
- ▶ Max Makushe Secondary School
- ▶ Rundu Secondary School



“Adjusted to the tolerance limit” George seems to be saying to Theron.



Light in the classroom



Light everywhere



Time to learn

Schools – visited in Zambezi, Katima Mulilo

- ▶ Singalamwe Primary School
- ▶ Sisheke Secondary School
- ▶ Mayuni Secondary School
- ▶ Sangwali Secondary School
- ▶ Ngwezi Senior Secondary School
- ▶ Caprivi Senior Secondary School
- ▶ Katima Combined School
- ▶ Kizito College



## National Science, Technology and Innovation Festival

The National Science, Technology and Innovation Festival was held from the 29th of June to the 3rd of July 2015, at the Country Club, Windhoek. The festival had a similar theme with the World Metrology Day: 'Light + Science = Future'. As a partner, the NSI was invited to participate. This presented an opportunity for the NSI to market and raise awareness of its services and mandate. Free exhibition space was allocated in one of the tents and also outside for some demonstrations. The metrology division took full advantage and invited the cooperation of the CCO to ensure the stand was presentable, appropriate and that sufficient NSI promotional material was available.

Demonstrations on Scientific/Industrial and Legal Metrology were performed. Metrology staff were on hand to explain the role of metrology in everyday life, and in Science, Technology and Innovation in particular.

PROVALCO, a fuel services company cooperated with the NSI to demonstrate the verification of petrol pumps.



The equipment set-up for calibration of thermometers and verification of scales was eye-catching and popular with visitors to the NSI stand.



So were the videos on National Quality Infrastructures and the PowerPoint presentation (on the Role of metrology in consumer protection) that were running in the background.

The STI Festival was summed up by a closing ceremony that was loaded with activities that included a Gala Dinner, Entertainment and awards ceremony. The NSI was awarded a certificate of appreciation for its support towards the Festival.

## World Accreditation Day Commemoration

The World Accreditation Day was commemorated on 7 July 2015 when a conference organized by the National Accreditation Focal Point – Namibia was held at Courtyard Birdwatching Hotel, Walvis Bay. The conference was attended by 23 accreditation stakeholders from the health sector, calibration laboratories from both public and the private sector from Namibia. The conference was opened by Mrs Helvi Petris on behalf of Deputy Permanent Secretary, Ministry of Trade. The SADCAS Chief Executive Officer Mrs Maureen Mutasa gave the key note address followed by paper presented by an official from the Ministry of Health on the role of government in strengthening the quality of Health and Social Care. The General Manager – Regulatory and Consumer Protection at the Namibia Standards Institution, Ms Cecilia Hinda gave a paper on the **role of metrology in ensuring a credible measurement system in the delivery of health and social care** followed by a presentation on Metrology Services Offered by Mr Simasiku Matali of the NSI Metrology Division.



Group Photo at the Commemoration of the World Accreditation day.

## AWARENESS WORKSHOPS ON MEASURING INSTRUMENTS SUBJECT TO LEGAL METROLOGY CONTROL

Supported by the, a series of workshops were held in Windhoek on measuring instruments subject to Legal Metrology Control.

The object

- ▶ To create awareness on the regulations of the Trade Metrology Act (Act No. 77 of 1973), as amended
- ▶ Explain the role of the NSI
- ▶ Discuss the new Namibian Standards recently developed for use and referencing in Technical Regulations
- ▶ Explain the role or duties of the stakeholders
- ▶ Discuss with stakeholders matters of mutual concern
- ▶ Discuss verification work programs for 2016

The workshops was attended by beneficiaries that included:

- ▶ NSI Legal Metrology Staff
- ▶ Registered Mechanics/ Technicians
- ▶ Suppliers, owners and users of measuring instruments



**Liquid Measuring devices, meters and liquid fuel dispensers**

Date: 15 December 2016  
Venue: Arrebusch



**Non-Automatic Weighing Instruments (NAWIs)**

Venue: Safari Conference Centre  
Date: 15 February 2016



**Road Traffic and Safety – Evidential Breath Analysers & Speed Cameras**

Venue: Safari Conference Centre  
Date: 15 February 2016

## INDUSTRY SENSITISATION WORKSHOPS ON THE DEVELOPMENT AND IMPLEMENTATION OF AN E MARK SCHEME FOR PRE-PACKAGES OFFERED FOR SALE

Supported by PTB and the NRCS, the NSI hosted two industry sensitization workshops on the pilot project on the development and implementation of an e mark scheme for pre-packages subject to legal metrology control. The meetings targeted Manufacturers, Importers, Packers and Distributors to explain the benefits of an e-marking scheme.



### Windhoek Meeting

Venue: Safari Conference Centre  
Date: 9 February 2016



### Walvis Bay

Venue: NSI Testing Centre  
Date: 11 February 2016



## Quality Management

The Metrology Division implemented the Quality Management System for both of its sections. The Quality Management System acts as a support function for sections to meet international, regional and the accreditation body requirements. A Quality Assurance Officer was appointed on 2 March 2015 to oversee this function. From the date of appointment to the end of the 2015/2016 financial year the Quality Assurance Section has:

- ▶ Conducted the management review as per ISO 17025; and
- ▶ Implemented a management system for Legal Metrology.

## Challenges

The drafting of the new Metrology Bill was completed during FY2013/2014, however it has yet to be finalized. The current Act of 1973 and its set of regulations are not aligned with international best practices, using SADC Cooperation on Legal Metrology (SADCMEL) and International Organization for Legal Metrology (OIML) recommendations as technical regulations. This is in spite of the fact that Namibia became a corresponding member of the OIML and Associate of the General Conference and Weights and Measures (CGPM) in 2012.

The Metrology Division is operating from a rented facility, not specifically built as a metrology laboratory. The space is insufficient and the environmental conditions are not ideal.

Reduced budgetary allocation to the operations of the division meant that activities that are not charged to the customers have had to be reduced. These include inspection of prepacked goods. In addition, the majority of capacity building initiatives are supported by Development Cooperating partners with little or no contribution from the NSI.

The Metrology Division is expected to deliver large volumes of work, including at sites other than the NSI. This causes a strain on the limited human and equipment resources. Travel costs makes these services unsustainable.

# CORPORATE SERVICES

The Corporate Services Department is responsible for: Human Resources Management; ICT Management; Corporate Communications and Strategic Partnerships.

## HUMAN RESOURCES

Human Resource Management (HRM) is a function that is designed to maximize employee performance in accordance with the NSI's strategic objectives. HRM is primarily concerned with how people are managed within the organization, focusing on policies and systems. It is responsible for a number of activities, including employee recruitment, training and development, performance management, and remuneration (e.g. pay and benefit systems). It also deals with industrial relations, balancing organizational practices with the respective labour and government acts and matters arising from collective bargaining.

### Affirmative Action and Employment Equity

The NSI complies with the requirements of the Affirmative Action (Employment) Act of 1998 as set out in the Affirmative Action report. Achievements that can be highlighted in terms of employment equity are:

- ▶ Five out of the six Senior Management positions are occupied by Woman. This includes the CEO who is a woman.
- ▶ The internship program was introduced in 2013 and is aimed at creating a talent pool of skilled Namibians. For the period under review, the NSI employed four interns, all of which were appointed in fulltime positions internally.
- ▶ The NSI has implemented the PwC recommendations for market related salaries. The implementation is expected to mitigate the risk of staff turnover and other areas of concern highlighted by staff satisfaction surveys.
- ▶ The division has embarked on an exercise to review current policy to align to changes in market trends and to remain relevant. The Human Resources Policy Manual was reviewed and is pending NSC approval. Among other policies which were reviewed is the Training and Development policy.

### Levels of employment

Executive Directors:	Chief Executive Officer (F)
Senior Management:	Four General Managers, Legal and Company Secretary (LACS), Chief Financial Officer
Middle Management:	All D1 - D3
Specialized/Skilled/ Senior Supervisors:	C4 – D1
Skilled staff:	C1- C3
Semi-Skilled staff:	B
Unskilled staff:	A

Category	No. of Staff
Executive ( F )	1
Management ( E )	4
Middle Management ( D )	23
Operational staff ( A - C )	79
<b>Total Number of staff</b>	<b>107</b>

### Challenges

Financial constraints was the biggest challenge as projects example the Health and Safety program. It also played a role in staff morale as the salary negotiations almost ended in industrial action. Positions submitted by divisions could also not be filled.

# INFORMATION AND COMMUNICATION TECHNOLOGY

The Information and Communication Technology (ICT) division is responsible for the effective and efficient use of ICT within the NSI and to assist the business units in harnessing ICT to implement the mandate of the institution. The mission of the ICT Unit is to provide state-of-the-art ICT facilities and applications through appropriate research and procurement procedures, with the capacity and flexibility to satisfy the current and future ICT service needs of the NSI.

The Division hosts the following systems for the NSI:

- ▶ Virtual Environment (Hyper-V Platform)
- ▶ Active Directory
- ▶ Microsoft Exchange 2013
- ▶ Microsoft SQL server
- ▶ NSI Inspectorate Ledger Application

Planned activities:

- ▶ Roll out of antivirus to all branches
- ▶ Replacement of old and outdate PCs
- ▶ Implementation of online back-up systems
- ▶ Awareness to staff on ICT

## CORPORATE COMMUNICATIONS

The Corporate Communications division is responsible for the NSI's corporate communication, public and media relations, special events and promotions. The division develops, manages and executes the NSI's communication, branding and promotional strategies and activities.

It establishes and maintains effective channels of communication, mutual understanding, acceptance and co-operation between the NSI and its internal and external stakeholders.

### Planned Activities

#### Awareness creation on World Standards Day 2015

World Standards Day is one the NSI's largest annual events. During the period under review the NSI staff, marched through Windhoek's Independence Avenue to raise awareness about the importance of standards for business, government and the general public. The march was the major event in the commemoration of World Standards Day 2015, themed: *Standards the world's common language*.

The Corporate Communications Section successfully involved Namibian print and electronic media in the World Standards Day activities. The NSI granted television interviews on NBC's popular breakfast show, Good Morning Namibia, and on the prime time evening business programme, Business Today. NSI staff was also interviewed by the nbc's Afrikaans radio services.

#### Information sharing session with NCCI

The Namibia Chamber of Commerce and Industry (NCCI) Okakarara branch invited the Namibian Standards Institution (NSI) to share information on its services to the business community of Okakarara and Otjiwarongo at an Information Sharing Breakfast that was held on the 10th of July 2015 at the Okakarara Business Centre. This informative session was geared towards transforming SME businesses operations in accordance with Namibia's "Growth at Home" strategy.



*NSI participates in the first Annual Namibia University of Science and Technology Career Fair.*

#### World Metrology Day Commemoration

World Metrology Day is another important event on the NSI's annual calendar, taking place on the 20 May. The theme for the year 2015 was "**Measurements and light**", aligned with the International Year of Light and Light-based Technologies proclaimed by the General Assembly of the UN and organized by UNESCO.

Events in 2015 celebrated the central role of light to life, whether as a source of energy, as the basis for photonic technologies or as being a source of wonder and excitement. The Corporate Communications division assisted the Metrology division with the arrangements and carrying out the activities for the celebrations of World Metrology Day.



*The NCCI Business community of Okakarara, Namibia, listen to a presentation by the Local Councilor. Acting NSI CEO and GM Standards look on.*

# CORPORATE SOCIAL RESPONSIBILITY

## Stakeholder Engagement

One of the fundamentals of the integrated reporting process is stakeholder engagement as per the International Integrated Reporting Council (IIRC). Stakeholder engagement is the process by which the NSI involves institutions and/or individuals who may be affected by the decisions it makes or who can influence the implementation of these decisions.

As the NSI intends to comply with the International Integrated Reporting Council (IIRC) requirement, it has become crucial to craft a stakeholder engagement plan. The requirement as stipulated by the IIRC is to have a single integrated annual report, which tells the overall story of the institution by providing material and relevant information to a wide range of stakeholders, within the context of an ever-evolving business, social and physical environment.

One of the NSI's core values is designed to seamlessly service its stakeholder expectations and satisfy customer needs and what better way than to engage with stakeholders.

The overarching objective of the stakeholder engagements was to enhance the understanding of stakeholder needs and establishing more open communication channels.



## Customer Satisfaction Survey

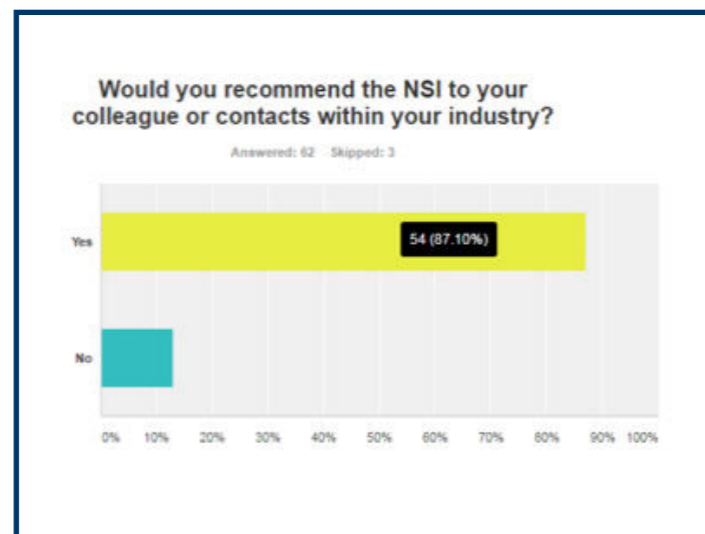
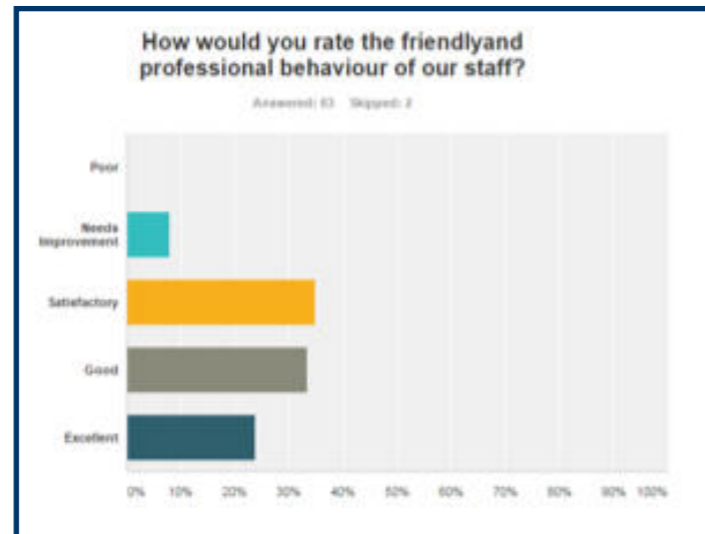
In complimenting the strategic objective of meeting and exceeding stakeholder expectations, the Corporate Communications division carried the first online Customer Satisfaction survey to assess the NSI's customers' needs and identify future services.

The survey was sent out to a sample of 324 respondents of the three business departments namely Certification, Regulatory and Consumer Protection and Standards Development. Of the 324, NSI received a total of 65 responses.

On the positive side about 68 percent of the sampled customers stated there were happy with NSI services and there is clearly a need for future services in training on quality management systems and food safety.



## Customer Satisfaction Survey Results



# FINANCIAL ADMINISTRATION

The Financial Services Department is responsible for the management of the organization's cash flow and to ensure enough funds are available to meet the day-to-day payments, prepare forecasts on a regular basis to systematically calculate the ongoing cash need.

The Department is also responsible for the preparation of the NSI's budget and forecasts, and to report back on the progress throughout the year. This information is used to proactively plan for staffing levels, asset purchases, expansions and cash needs.

## Financial Review

The NSI produced a strong performance in 2016, increasing profit for the year by 287% (profit of N\$1,797,826 in the 2016 financial year compared to a loss of N\$6,955,827 in the 2015 financial year). The profit was as a result of the 39% increase in Government Grants (2016: N\$51.7 million; 2015 N\$37.3 million). Furthermore, the NSI cost-to-income ratio improved to 97.5% from 126% in the 2015 financial year as the institution continues to keep tight control over its costs.

## Financial Performance

Increase in own generated revenue slowed down to 6% from 24% in the 2015 financial year. The big increase in 2015 was due to sales prices that were increased by 25% in that year.

## Statement of Comprehensive Income Analysis

The statement of comprehensive income reflects the revenue generated by NSI as well as costs incurred in generating that revenue for the year ended 31 March 2016. Revenue increased by 6% during the year under review, while other income increased by 39%. Operating expenses remained relatively stable increasing by 10% compared to 9% in 2015.

## Statement of Financial Position Analysis

The statement of financial position reflects what the NSI owns, owes and the equity of the corporation. Total assets increased by 19% to N\$80.1 million from N\$67.3 million in 2015. The main contributors to this growth were increase in cash and cash equivalents from N\$8 million in 2015 to N\$20.9 million in the current year.

Total NSI liquidity position remains healthy with appropriate current ratio of 1.4 for the year.

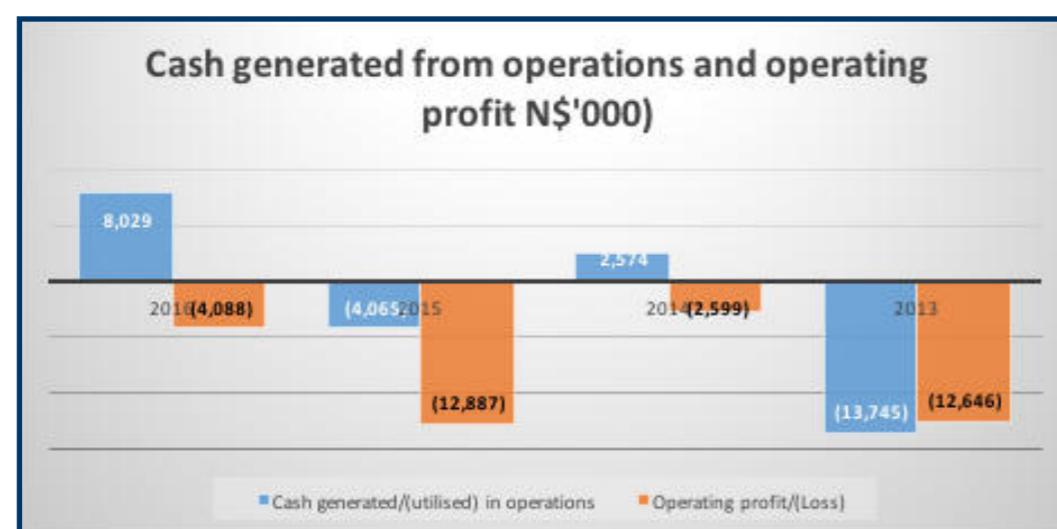
## Ratios and other financial information

Ratio Analysis	2016	2015	2014	2013	2012
<b>PROFITABILITY AND ASSET MANAGEMENT</b>					
Asset Turnover	23%	18%	15%	22%	23%
Return on Assets	-7.6%	-19%	-4%	-27%	-13%
Return on Equity	23%	-215%	-20%	-105%	-13%
Current Ratio	1:4	1:1	1.3:1	4:1	5:1
Operating Margin %	14.3%	-107%	-27%	-125%	-58%
<b>PERFORMANCE</b>					
Cost to Income	97.5%	126%	105%	132%	112%
Remuneration as a % of Total Expenditure	55%	59%	57%	55%	57%

## Ratio definitions

Asset turn over:	Revenue divided by net assets
Return on assets:	Operating profit as a percentage of net assets
Return on equity:	Net income divided by shareholders equity
Current ratio:	Current assets to current liabilities
Operating margin %:	Operating profit as a percentage of revenue

# ANNUAL FINANCIAL STATEMENTS 2015/2016



**NAMIBIAN STANDARDS INSTITUTION ESTABLISHED BY SECTION 2 OF  
THE STANDARDS ACT 2005, (ACT NO. 18 OF 2005) ANNUAL FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016**

Annual Financial Statements for the year ended 31 March 2016

**General Information**

<b>Country of incorporation and domicile</b>	Namibia
<b>Nature of business and principal activities</b>	Promotion of standardisation and quality assurance in the industry, commerce and public sector in Namibia with the aim of improving product quality, industrial efficiency and productivity, and to promote trade, so as to achieve optimum benefits for the public of Namibia in general.
<b>NSC Members</b>	*Dr. Martha Kandawa-Schulz (Chairperson)*Dr. Moses Maurihungirire, Member* Mrs. Asteria Nasheya, Member*Mr. Edwin Beukes (Chairperson of Finance, Risk Management and Audit Committee)*Ms. Phortune Dina Karongee, (Chairperson Human Resources and Remuneration Committee)*Mr. Thomas Shikondjeleni Nashixwa (Chairperson Tender Committee)*Mr. Michael Gaweseb, Member*Mr. Tileinge Sagarias Andima, MemberMrs. Concepcion Wasserfall (Chief Executive Officer), Member ex-officio
	*Re-appointed on 31 October 2013
<b>Registered office</b>	The Forum BuildingFirst Floor, Suite 11511-17 Dr. Frans Indongo StreetWindhoekNamibia
<b>Bankers</b>	First National Bank of Namibia
<b>Auditors</b>	Grand NamibiaRegistered Accountants and Auditors
<b>Secretary</b>	Mr Clement Daniels

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<i>NSC MEMBERS' RESPONSIBILITIES AND APPROVAL</i>	78
<i>INDEPENDENT AUDITOR'S REPORT</i>	78
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**AUDIT COMPLIANCE CERTIFICATE ON THE ACCOUNTS  
OF THE  
NAMIBIAN STANDARDS INSTITUTION  
FOR THE YEAR ENDED  
31 MARCH 2016**

The documentation as compiled by the auditor registered in terms of the Public Accountant's and Auditor's Act, 1951, who was appointed by the Board Members of the Namibian Standards Institution, has been examined by officials of the Office of the Auditor-General.

In terms of Section 19 (1) of the Standards Act, 2005 (Act 18 of 2005) I certify that the above-mentioned audit of the annual financial statements for the year ended 31 March 2016 has been carried out to my satisfaction.

WINDHOEK, August 2016



**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**



## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### NSC Members' Responsibilities and Approval

The NSC members are required in terms of the Standards Act no.18 of 2005 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Institution as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the Institution and place considerable importance on maintaining a strong control environment. To enable the NSC members to meet these responsibilities, the NSC members sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Institution and all employees are required to maintain the highest ethical standards in ensuring the Institution's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Institution is on identifying, assessing, managing and monitoring all known forms of risks across the Institution. While operating risk cannot be fully eliminated, the Institution endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The NSC members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

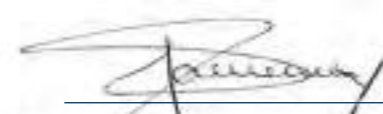
The NSC members have reviewed the Institution's cash flow forecast for the year to 31 March 2017 and, in the light of this review and the current financial position, they are satisfied that the Institution has or has access to adequate resources to continue in operational existence for the foreseeable future. Government is committed to continuously support the NSI operations.

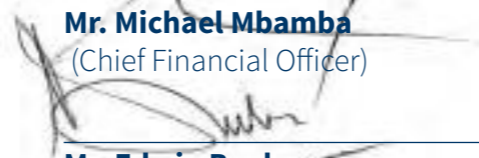
The external auditors are responsible for independently reviewing and reporting on the Institution's annual financial statements. The annual financial statements have been examined by the Institution's external auditors and their report is presented on page 5.

The annual financial statements set out on pages 5 to 27, which have been prepared on the going concern basis, were approved by management and the NSC members on 12 May 2016 and were signed on its behalf by:

  
**Mrs. Concepcion Wasserfall**  
(Chief Executive Officer)

  
**Dr. Martha Kandawa-Schulz**  
(Chairperson)

  
**Mr. Michael Mbamba**  
(Chief Financial Officer)

  
**Mr. Edwin Beukes**  
(Chairperson of Finance, Risk Management and Audit Committee)

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Independent Auditor's Report

#### To the NSC members of Namibian Standards Institution

We have audited the annual financial statements of Namibian Standards Institution, as set out on pages 6 to 27, which comprise the statement of financial position as at 31 March 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

#### NSC Members' Responsibility for the Financial Statements

The Institution's members are responsible for the preparation and fair presentation of these annual financial statements in accordance with International Financial Reporting Standards, and requirements of the Standards Act, Act No.18 of 2005 and for such internal control as the members determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements.

The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the annual 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 annual 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 annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Namibian Standards Institution as at 31 March 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, and requirements of the Standards Act, Act No.18 of 2005.

#### Grand Namibia

Registered Accountants & Auditors  
Chartered Accountants (Namibia)

  
**Per: R N Beukes**

9 Axali Doeseb Street  
P O Box 24304  
Windhoek  
Namibia  
30 June 2016



## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### NSC Members' Report

The NSC members submit their report for the year ended 31 March 2016.

## 1. Review of activities

### Main business and operations

The Institution is engaged in promotion of standardisation and quality assurance in the industry, commerce and the public sector in Namibia with the aim of improving product quality, industrial efficiency and productivity, and to promote trade, so as to achieve optimum benefits for the public of Namibia in general. The operating results and the state of affairs of the Institution are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

## 2. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. We however draw your attention to the fact that the ability of the Institution, to continue as a going concern depends on funding from the Government of the Republic of Namibia. Government is committed to supporting the core functions of the NSI.

## 3. Events after the reporting period

The NSC members are not aware of any matter or circumstance arising since the end of the financial year.

## 4. Members

The NSC members of the Institution during the year and to the date of this report are as follows:

### Name

Dr. Martha Kandawa - Schulz (Chairperson)  
Dr. Moses Maurihungirire, Member  
Mrs. Asteria Nasheya, Member  
Mr. Edwin Beukes (Chairperson of Finance, Risk Management and Audit Committee)  
Ms. Phortune Dina Karongee (Chairperson Human Resources and Remuneration Committee),  
Mr. Thomas Shikondjeleni Nashixwa (Chairperson Tender Committee),  
Mr. Tileinge Sagarias Andima, Member  
Mr. Michael Gaweseb, Member  
Mr. Concepcion Wasserfall (Chief Executive officer),  
Member ex-officio

## 5. Secretary

The secretary of the company is Mr. Clement Daniels of

### Business address

The Forum Building  
First Floor, Suite 115  
11 -117 Dr. Frans Indongo  
street  
Windhoek, Namibia

## 6. Auditors

Grand Namibia  
Registered Accountants & Auditors

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Statement of Financial Position as at 31 March 2016

	NOTES	2016 N\$	2015 N\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	3	54,014,503	55,403,070
<b>Current assets</b>			
Inventories	6	800,240	651,420
Trade and other receivables	7	4,262,434	3,245,230
Cash and cash equivalents	8	20,955,450	8,011,045
		<b>26,117,142</b>	<b>11,907,707</b>
<b>Total assets</b>		<b>80,131,645</b>	<b>67,310,783</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated Funds		7,700,351	5,802,520
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred income	10	53,667,277	48,360,504
<b>Current liabilities</b>			
Trade and other payables	12	10,363,341	5,170,432
Deferred Income - Short term portion	10	5,440,233	3,870,140
Provisions	11	2,861,443	2,870,082
		<b>18,674,017</b>	<b>11,931,663</b>
<b>Total liabilities</b>		<b>72,341,294</b>	<b>61,310,257</b>
<b>Total Equity and Liabilities</b>		<b>80,131,645</b>	<b>67,310,783</b>

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Statement of Comprehensive Income

	NOTES	2016 N\$	2015 N\$
Revenue	14	12,582,821	11,969,091
Other income	15	52,155,910	37,788,140
Operating expenses		(68,826,956)	(62,604,014)
Operating (loss)	16	(4,089,125)	(12,887,382)
Investment revenue	17	437,018	389,732
Transfer from deferred income	18	5,448,233	5,541,822
Finance costs	18	-	-
Profit/(loss) for the year		1,797,826	(6,955,828)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		1,797,826	(6,955,828)

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Statement of Changes in Equity

	NOTES	2016 N\$	2015 N\$
Opening balance 01 April 2014		12,948,353	12,948,353
Loss for the year		(6,955,828)	(6,955,828)
Other comprehensive income		-	-
Total comprehensive income for the year		5,992,525	5,992,525
Balance 31 March 2015		5,992,525	5,992,525
Opening balance 01 April 2015		5,992,525	5,992,525
Profit for the year		1,797,826	1,797,826
Other comprehensive income		-	-
Total comprehensive income for the year		7,790,351	7,790,351
Balance 31 March 2016		7,790,351	7,790,351

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Statement of Cash Flows

	NOTES	2016 N\$	2015 N\$
<b>Cash flow from operating activities</b>			
Cash received from Government and customers		64,262,821	48,255,273
Cash paid to suppliers and employees		(56,232,986)	(53,320,878)
Cash generated from (used in) operations	21	8,029,835	(4,065,703)
Interest income		437,018	389,732
Finance costs		-	-
<b>Net cash from operating activities</b>		<b>8,466,853</b>	<b>(3,575,971)</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment		(4,068,661)	(12,061,401)
Sale of property, plant and equipment		-	54,135
<b>Net cash from investing activities</b>		<b>(4,068,661)</b>	<b>(12,007,266)</b>
<b>Cash flow from financing activities</b>			
Capital Government Grants	9	8,538,422	18,412,813
<b>Total cash movement for the year</b>		<b>12,944,414</b>	<b>2,779,376</b>
Cash at the beginning of the year		8,011,045	5,231,669
<b>Total cash at the end of the year</b>	8	<b>20,955,459</b>	<b>8,011,045</b>

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Accounting Policies

#### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the Standards Act, Act No.18 of 2005. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars.

##### 1.1 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- ▶ it is probable that future economic benefits associated with the item will flow to the Institution; and
- ▶ the cost of the item can be measured reliably.

##### Property, plant and equipment is initially measured at cost

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Item	Average useful life
Buildings	25 years
Furniture and fixtures	10 years
Motor vehicles	5 years
Office equipment	2 years
IT equipment	3 years
Laboratory Equipment	4 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Accounting Policies

---

#### 1.2 Financial instruments

##### Classification

The Institution classifies financial assets and financial liabilities into the following categories:

- ▶ Financial assets at fair value through profit or loss
- ▶ Loans and receivables
- ▶ Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

##### Initial recognition and measurement

Financial instruments are recognised initially when the Institution becomes a party to the contractual provisions of the instruments.

The Institution classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument. Transaction costs on financial instruments at fair value through profit or loss are recognised in profit or loss.

##### Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period. Net gains or losses on the financial instruments at fair value through profit or loss dividends and interest.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

##### Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Institution has transferred substantially all risks and rewards of ownership.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Accounting Policies

---

#### 1.2 Financial instruments (continued)

##### Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables

##### Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

##### Bank overdraft and borrowings

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Institution's accounting policy for borrowing costs.

#### 1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

##### Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Accounting Policies

---

#### 1.4 Inventories

##### Classification

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

#### 1.5 Impairment of assets

The Institution assesses at each end of the reporting period whether there is any indication that an asset may be impaired.

If any such indication exists, the Institution estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Institution also:

- ▶ tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- ▶ tests goodwill acquired in a business combination for impairment annually. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Accounting Policies

---

#### 1.6 Employee benefits

##### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

#### 1.7 Provisions and contingencies

Provisions are recognised when:

- ▶ the Institution has a present obligation as a result of a past event;
- ▶ it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- ▶ a reliable estimate can be made of the obligation.

#### 1.8 Government grants

Government grants are recognised when there is reasonable assurance that:

- ▶ the Institution will comply with the conditions attaching to them; and
- ▶ the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Grants related to income are presented as a credit in the profit and loss statement (separately).

#### 1.9 Revenue

Revenue from the sale of standards and provision of quality assurance services is recognised when all the following conditions have been satisfied:

- ▶ the Institution has transferred to the buyer the significant risks and rewards of ownership of the goods;
- ▶ the Institution retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- ▶ the amount of revenue can be measured reliably;
- ▶ it is probable that the economic benefits associated with the transaction will flow to the Institution; and
- ▶ the costs incurred or to be incurred in respect of the transaction can be measured reliably.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Accounting Policies

#### 1.9 Revenue (continued)

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period.

The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- ▶ the amount of revenue can be measured reliably;
- ▶ it is probable that the economic benefits associated with the transaction will flow to the Institution;
- ▶ the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- ▶ the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest is recognised, in profit or loss, using the effective interest rate method.

#### 1.10 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- ▶ Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- ▶ Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- ▶ expenditures for the asset have occurred;
- ▶ borrowing costs have been incurred, and
- ▶ activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

## 2. New Standards and Interpretations

### 2.1 Standards and interpretations not yet effective

The Institution has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the institution's accounting periods beginning on or after 01 January 2016 or later periods:

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Accounting Policies

#### 2.1 Standards and interpretations not yet effective (continued)

##### IFRS 7 Financial Instruments: Disclosures

Annual Improvements 2012-2014 Cycle: Amendment clarifying what circumstances an entity will have continuing involvement in a transferred financial asset as a result of servicing contracts.

The effective date of amendment is for years beginning on or after 1 January 2016

##### IFRS 9 Financial Instruments

A final version of IFRS 9 has been issued which replaces IAS 39 Financial Instruments: Recognition and Measurement.

The completed standard comprises guidance on Classification and Measurement, Impairment Hedge Accounting and Derecognition.

The effective date of the amendment is for years beginning on or after 01 January 2016.

The institution expects to adopt the standard for the first time in the 2017 annual financial statements

##### IFRS 15 Revenue

New standard that requires entities to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is achieved through a five step methodology that is required to be applied to all contracts with customers.

The effective date of the amendment is for years beginning on or after 01 January 2018.

The institution expects to adopt the standard for the first time in the 2019 annual financial statements

##### IFRS 16 Leases

New standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and lease obligation to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-to-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into principal portion and an interest portion and presents them in the statement of cash flows applying IAS 7 Statement of Cash Flows.

The effective date of the amendment is for years beginning on or after 01 January 2019.

The institution expects to adopt the standard for the first time in the 2020 annual financial statements.

##### IAS 1 Presentation of Financial Statements

Disclosure Initiative: Amendments designed to encourage entities to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that entities should use professional judgement in determining where and in what order information is presented in the financial disclosures

The effective date of the amendment is for years beginning on or after 01 January 2016.

The institution expects to adopt the standard for the first time in the 2017 annual financial statements

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Accounting Policies

#### 2.1 Standards and interpretations not yet effective (continued)

##### IAS 7 Statement of Cash Flows

Disclosure Initiative: Amendments requiring entities to disclose information about changes in their financing liabilities. The additional disclosures will help investors to evaluate changes in liabilities arising from financing activities, including changes from cash flow and non-cash changes (such as foreign exchange gains or losses).

The effective date of the amendment is for years beginning on or after 01 January 2017.

The institution expects to adopt the standard for the first time in the 2018 annual financial statements.

##### IAS 7 Statement of Cash Flows

Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12): Narrow-scope amendment to clarify the requirements on recognition of deferred tax assets for unrealised losses on debt instruments measured at fair value.

The effective date of the amendment is for years beginning on or after 01 January 2017.

The institution expects to adopt the standard for the first time in the 2018 annual financial statements.

##### IAS 16 Property, Plant and Equipment

Amendments to both IAS 16 and IAS 38 establishing the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. Clarifying that revenue is generally presumed to be an inappropriate basis for measuring the consumption of economic benefits in such assets.

Amendments to both IAS 16 and IAS 41 which defines bearer plants and includes bearer plants in the scope of IAS 16 Property, Plant and Equipment, rather than IAS 41, allowing such assets to be accounted for after initial recognition in accordance with IAS 16.

The effective date of the amendment is for years beginning on or after 01 January 2016.

The institution expects to adopt the amendment for the first time in the 2017 annual financial statements.

##### IAS 38 Intangible Assets

Amendments to IAS 16 and IAS 38 to clarify the basis for the calculation of depreciation and amortisation, as being the expected pattern of consumption of the future economic benefits of an asset. Amendments to both IAS 16 and IAS 38 establishing the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. Clarifying that revenue is generally presumed to be an inappropriate basis for measuring the consumption of economic benefits in such assets.

The effective date of the amendment is for years beginning on or after 01 January 2016.

The institution expects to adopt the amendment for the first time in the 2017 annual financial statements.

Board members anticipate that the adoption of the recent standards and interpretations will have no material impact on the financial statements in future periods.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Notes to the Annual Financial Statements

#### 3. Property, plant and equipment

	2016		2015			
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Land	298,003	-	298,003	298,003	-	298,003
Buildings	48,218,951	(3,879,804)	44,339,147	47,780,555	(1,950,848)	45,829,707
Furniture and fixtures	3,378,000	(2,583,871)	813,029	3,337,380	(2,417,803)	919,577
Motor vehicles	2,978,184	(2,579,892)	398,292	2,978,184	(2,330,452)	647,732
Office equipment	582,178	(421,534)	170,644	424,513	(374,478)	50,035
IT equipment	3,524,240	(2,894,793)	629,447	3,310,167	(2,170,188)	1,139,979
Lab equipment	18,885,831	(12,558,800)	4,127,131	18,547,548	(10,005,457)	8,542,091
Assets Under Construction	3,042,830	-	3,042,830	-	-	-
<b>Total</b>	<b>78,712,997</b>	<b>(24,638,494)</b>	<b>54,074,503</b>	<b>74,652,338</b>	<b>(19,249,252)</b>	<b>55,403,086</b>

##### Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Disposals	Depreciation	Total
Land	298,003	-	-	-	298,003
Buildings	45,829,739	458,366	-	(1,828,758)	44,339,347
Furniture and fixtures	819,557	38,579	-	(148,108)	709,028
Motor vehicles	645,882	-	-	(248,410)	397,472
Office equipment	50,037	167,604	-	(47,057)	170,584
IT equipment	1,139,979	214,074	-	(524,506)	829,547
Lab equipment	8,542,089	138,348	-	(2,553,308)	6,127,129
Assets Under Construction	-	3,042,830	-	-	3,042,830
	<b>55,403,076</b>	<b>4,868,661</b>	<b>-</b>	<b>(5,449,233)</b>	<b>54,822,504</b>

##### Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Disposals	Depreciation	Total
Land	298,003	-	-	-	298,003
Buildings	40,105,749	8,548,121	-	(1,528,503)	47,125,367
Furniture and fixtures	1,159,542	795	-	(288,200)	971,137
Motor vehicles	818,829	-	(88,957)	(271,248)	658,624
Office equipment	73,038	44,738	-	(67,741)	50,035
IT equipment	319,741	1,053,815	(20,988)	(233,857)	1,118,711
Lab equipment	8,010,058	1,531,210	-	(3,188,429)	6,352,839
Assets Under Construction	-	-	-	-	-
	<b>48,881,068</b>	<b>12,176,789</b>	<b>(87,956)</b>	<b>(5,566,889)</b>	<b>55,403,076</b>

- Erf 1034, situated in the municipal area of Walvis Bay.

- Erf 798, situated in the municipal area of Lüderitz.

- Erf 3825, situated in the municipal area of Walvis Bay.

- Erf 1755, situated in the municipal area of Windhoek.

There were no assets that were pledged as security and the only contractual commitments are the retention fees as stated in note 12. A register of land and buildings is available for inspection at the registered office of the NSI.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Notes to the Annual Financial Statements

	2016 N\$	2015 N\$
<b>4. Financial assets</b>		
Cash and cash equivalents	20,955,458	8,011,045
Trade and other receivables	3,533,879	3,063,046
	<b>24,489,338</b>	<b>11,074,091</b>

The Institution has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior year.

#### 5. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2016	Loans & receivable	Total
Cash and cash equivalents	20,955,458	20,955,458
Trade and other receivables	3,533,879	3,533,879
	<b>24,489,338</b>	<b>24,489,338</b>

2015	Loans receivable	Total
Cash and cash equivalents	8,011,045	8,011,045
Trade and other receivables	3,063,046	3,063,046
	<b>11,074,091</b>	<b>11,074,091</b>

#### 6. Inventories

Consumables	888,248	851,428
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There were no inventories that were pledged as security and there are no contractual commitments.

#### 7. Trade and other receivables

Trade receivables	3,176,414	2,043,187
Accrued income	-	805,245
Deposits	88,437	88,437
Other receivables	137,250	-
Prepayments	118,904	-
Staff Cellphone Usage	14,874	28,188
VAT	728,555	182,181
	<b>4,262,434</b>	<b>3,245,236</b>

#### Trade and other receivables pledged as security

No Trade and other receivables were pledged as security for overdraft facilities and the entity does not hold any collateral as security.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Notes to the Annual Financial Statements

	NOTS	2016 N\$	2015 N\$
<b>7. Trade and other receivables (continued)</b>			
Fair value of trade and other receivables			
Trade and other receivables		4,262,434	3,245,236

The current value equals the fair value as the trade and other receivables are all recoverable within twelve months, and are not interest bearing.

#### Trade and other receivables past due but not impaired

The ageing of amounts past due but not impaired is as follows:

30 days	1,458,075	557,053
60 days	880,285	83,402
90 days	60,761	14,500
120 days	878,012	473,777

#### 8. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	10,000	8,000
Bank balances	20,945,458	8,003,045
	<b>20,955,458</b>	<b>8,011,045</b>

There are no restrictions placed on the realisation or usability of cash balances.

#### 9. Unspent conditional grants and receipts

Unspent conditional grants and receipts consist of:

Unspent capital grants	15,000,000	8,416,577
	<b>15,000,000</b>	<b>8,416,577</b>

#### Movement during the year

Balance at the beginning of the year	8,416,577	1,141,353
Additions during the year - Capital expenses	8,538,423	18,412,613
Capital expenses recognised during the year	(1,955,000)	(11,137,389)
	<b>15,000,000</b>	<b>8,416,577</b>

There unspent grant relates to government grants received for capital projects that were unused.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Notes to the Annual Financial Statements

	2016 N\$	2015 N\$
<b>10. Deferred income</b>		
Opening Balance	53,265,743	30,137,134
Recognise in statement of comprehensive income	(5,448,233)	(5,541,823)
Grants received to be recognised in future accounting periods	11,300,000	22,101,867
Closing balance	59,117,510	55,897,278
Less: deferred grant to be recognised in the following year	(5,448,233)	(8,310,884)
	53,667,277	49,386,594
Non-current portion	53,667,277	49,386,594
Current liabilities	5,448,233	3,879,149
	59,117,510	53,265,743

The nature and extent of government grants recognised in the annual financial statements are an indication of other forms of government assistance from which the entity has directly benefited. The funds are treated as deferred income over the useful life of the assets. The useful life of the relevant assets are: Buildings 25 years, furniture and fittings 10 years, motor vehicles 5 years, office equipment 2 years, IT equipment 3 years and laboratory equipment 4 years.

#### 11. Provisions

##### Reconciliation of provisions - 2016

	Opening balance	Additions	Utilised during the year	Total
Bonus	510,521	-	(26,084)	484,427
Provision for doubtful debts	126,874	-	(126,874)	-
Leave	2,238,888	522,880	(384,580)	2,377,018
	2,876,081	522,880	(537,528)	2,861,443

##### Reconciliation of provisions - 2015

	Opening balance	Additions	Utilised during the year	Total
Bonus	463,593	46,928	-	510,521
Provision for doubtful debts	126,874	-	-	126,874
Provision for restoration costs	827,880	-	(827,880)	-
Leave	1,795,579	443,108	-	2,238,687
	3,213,936	490,036	(827,880)	2,876,082

#### Leave Provision

Leave pay is only paid out when an employee resigns. Leave pay is based on the leave days accumulating to a maximum of thirty seven and a half (37.5) days for management and thirty day (30) for staff.

#### Provision for Doubtful debt

The provision for doubtful debt relates to the debtor, Etale Fishing Company (PTY) Ltd, that experienced difficulties during the financial year and had informed the Institution that they are unable to pay the full amounts.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Notes to the Annual Financial Statements

	2016 N\$	2015 N\$
<b>12. Trade and other payables</b>		
Trade payables	7,981,840	2,872,210
Accruals - Other Expenses	1,205,004	-
Retention- Asset Under Construction	782,155	1,542,842
Operating Lease Accruals	363,813	148,072
UIDO Project Account	43,873	378,383
GRN Accrual Account	1,215	7,001
Sundry payables (outstanding cheque payments)	25,441	430,114
	10,363,341	5,176,432
Fair value of trade and other payables		
Trade payables	10,363,341	5,176,432

The fair values of trade and other receivables equals the carrying amounts as they are expected to be payable within the next twelve months.

#### 13. Financial liabilities by category

The accounting policies for financial instruments have been applied to the five items below:

##### 2016

	Financial liabilities at amortised cost	Total
Trade and other payables	7,981,840	7,981,840
Retention-Asset Under Construction	782,155	782,155
Sundry payables (outstanding cheque payments)	25,441	25,441
	8,749,436	8,749,436

##### 2015

	Financial liabilities at amortised cost	Total
Trade and other payables	2,872,210	2,872,210
Retention-Asset Under Construction	1,542,842	1,542,842
Sundry payables (outstanding cheque payments)	430,114	430,114
	4,844,966	4,844,966

#### 14. Revenue

Certification	88,707	75,517
HACCP Audits	847,727	1,448,883
Inspection	3,852,303	3,178,887
Levies	5,242,584	5,008,582
Metrology Services	323,212	128,152
Sale of Standards	101,400	182,578
Testing	2,525,708	1,872,472
	12,582,621	11,985,891

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Notes to the Annual Financial Statements

	2016 N\$	2015 N\$
<b>15. Other Income</b>		
Government grants	51,680,600	37,268,182
Bad debts	80,000	-
Rental Income	-	881,070
Profit on sale of PPE	-	54,135
Foreign Exchange Gain	2,328	4,862
Inventory Adjustment	-	285,321
Sundry Income	387,603	113,733
Discount received	181	-
Insurance proceeds	5,198	3,828
	<b>52,155,910</b>	<b>37,788,140</b>
<b>16. Operating profit/(loss)</b>		
Operating profit/(loss) for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
= Contractual amounts	4,824,353	3,107,429
Depreciation on property, plant and equipment	5,448,233	5,541,823
Employee costs	37,762,188	38,825,879
<b>17. Investment revenue</b>		
Interest revenue		
Bank	437,018	389,732
<b>18. Finance costs</b>		
Bank	-	-
<b>19. Taxation</b>		
The Institution is exempt from income tax in terms of section 16(1)(e) of the Income Tax Act of Namibia, as amended.		
<b>20. Auditors' remuneration</b>		
Fees	92,800	105,810
<b>21. Cash generated from (used in) operations</b>		
Profit/(loss) before taxation	1,797,826	(8,855,827)
Adjustments for:		
Depreciation and amortisation	5,448,233	5,541,823
Interest received	(437,018)	(389,732)
Finance costs	-	-
Movements in Deferred Income (current portion)	(5,950,767)	(8,310,884)
Movements in provisions	(14,838)	337,855
Profit on sale of Property Plant and Equipment	-	54,135
Changes in working capital:		
Inventories	(247,823)	(351,281)
Trade and other receivables	2,234,850	7,310,167
Trade and other payables	5,088,173	(3,302,179)
	<b>8,029,635</b>	<b>(4,065,783)</b>

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Notes to the Annual Financial Statements

	2016 N\$	2015 N\$	
<b>22. Commitments</b>			
Operating leases – as lessee (expense)			
Minimum lease payments due			
- within one year	1,856,958	3,148,778	
- in second to fifth year inclusive	-	3,254,110	
	<b>1,856,958</b>	<b>6,402,888</b>	
Operating lease payments represent rentals payable by the Institution for certain of its office properties. Leases are negotiated for an average term of three years and rentals escalate by 10% annually. No contingent rent is payable. Operating lease payments represent rentals payable by the Institution for certain of its office properties.			
<b>23. Related parties</b>			
Related party transactions			
Grants			
- The Government of the Republic of Namibia (Operational grants)	51,680,600	37,268,182	
- Government grants realised from Deferred Income	5,448,233	5,448,233	
- The Government of The Republic of Namibia (Capital grants)	8,538,422	18,412,813	
Compensation to key management (executive management)			
Short-term employee benefits	4,838,126	3,831,004	
<b>24. NSC members' emoluments</b>			
Executive	Salary fees	Other	Total
<b>2016</b>			
Travel and accommodation	-	327,295	327,295
Salaries	878,332	-	878,332
	<b>878,332</b>	<b>327,295</b>	<b>1,205,627</b>
<b>2015</b>			
Travel and accommodation	-	285,668	285,668
Salaries	1,646,803	-	1,646,803
	<b>1,646,803</b>	<b>285,668</b>	<b>1,932,472</b>

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Notes to the Annual Financial Statements

	2016 N\$	2015 N\$
<b>24. NSC members' emoluments (continued)</b>		
	<b>NSC members' fees</b>	<b>Total</b>
<b>Non-executive</b>		
<b>2016</b>		
Travel and accommodation	304,801	304,801
For Service as NSC members	1,888,758	1,888,758
	<u>1,993,557</u>	<u>1,993,557</u>
<b>2015</b>		
Travel and accommodation	185,488	185,488
For Service as NSC members	980,183	980,183
	<u>1,145,682</u>	<u>1,145,682</u>
<b>Risk Management</b>		
<b>Liquidity risk</b>		
The Institution's risk to liquidity is a result of the funds available to cover future commitments. The Institution manages liquidity risk through an ongoing review of future commitments and credit facilities.		
<b>Interest rate risk</b>		
As the Institution has no significant interest-bearing assets, the Institution's income and operating cash flows are substantially independent of changes in market interest rates.		
<b>Credit risk</b>		
Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The Institution only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.		
<b>Financial instruments</b>	<b>2016</b>	<b>2015</b>
Cash and Cash equivalents	20,955,458	8,011,045
Trade and other receivables	3,533,879	2,518,881
Trade and other payables	10,383,341	5,178,432

#### 26. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Notes to the Annual Financial Statements

	NOTES	2016 N\$	2015 N\$
<b>Revenue</b>	<b>14</b>	<b>12,582,621</b>	<b>11,389,891</b>
<b>Other income</b>			
Bad debts received		80,000	-
Discount received		181	-
Insurance Proceeds		5,188	3,828
Inventory adjustment		-	285,238
Government grants	15	51,880,800	37,288,182
Foreign Exchange Gain		2,328	4,882
Profit on sale of PPE		-	54,135
Rental income		-	80,079
Sundry Income		387,803	113,818
		<u>52,155,918</u>	<u>37,788,140</u>
<b>Operating expenses</b>			
Accreditation		(273,084)	(488,100)
Advertising		(218,332)	(285,140)
Auditors remuneration		(82,800)	(105,610)
Bad Debts		(24,824)	-
Bank charges		(100,538)	(129,043)
Cleaning		(253,161)	(204,383)
Computer expenses		(557,838)	(758,897)
Consulting fees		(1,028,012)	(848,885)
Courier and Postage		(428,297)	(475,008)
Depreciation, amortisation and impairments		(5,448,233)	(5,541,823)
Employee costs		(37,762,188)	(38,825,878)
Entertainment and Official functions		(14,871)	(83,154)
Fuel and oil		(207,288)	(285,180)
Functions		(235,086)	(221,713)
General Expenses		(230,122)	(158,821)
Inventory adjustment		(28,803)	-
Implementation of NQP		-	(188,352)
Insurance		(384,778)	(388,028)
Interest and penalties on VAT		(7,875)	(853,382)
Laboratory consumables		(2,012,087)	(1,113,182)
Marketing and corporate communication		(520,788)	(888,035)
Members' emoluments		(1,888,758)	(880,183)
Micro biology services		(781,388)	(378,887)
Motor vehicle expenses		(138,784)	(87,385)
Parking fees		(482,382)	(382,871)
Printing and stationery		(484,830)	(288,018)
Protective clothing		(84,418)	(28,882)
Rental Expenses		(4,824,383)	(3,107,428)
Repairs and maintenance		(871,518)	(834,888)
Security		(184,388)	(124,204)
Staff welfare		(108,880)	(81,880)
Standards TC's and NSI		(27,520)	(52,788)
Subscriptions		(1,831,188)	(820,284)
Subsistence and travelling allowance		(2,755,257)	(3,308,488)

## Namibian Standards Institution

Annual Financial Statements for the year ended 31 March 2016

### Notes to the Annual Financial Statements

	2016	2015
	N\$	N\$
Telephone and fax	(1,854,870)	(1,105,728)
Training	(1,757,872)	(737,870)
Transport costs	(230,558)	(230,804)
Water and electricity	(1,370,472)	(807,893)
Workshops and meetings	(140,122)	(80,473)
	<b>(68,826,556)</b>	<b>(62,664,514)</b>
Operating profit/(loss)	16 (4,088,425)	(12,887,382)
Transfer from deferred income	10 5,448,233	5,541,823
Investment revenue	17 437,018	389,732
Finance costs	18 -	-
Profit/(loss) for the year	<b>1,797,826</b>	<b>(6,955,828)</b>
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	<b>1,797,826</b>	<b>(6,955,828)</b>

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