



PAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY
FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION
DEPARTMENT OF MARKETING, SPORT MANAGEMENT AND LOGISTICS

QUALIFICATION: POST GRADUATE DIPLOMA: PROCUREMENT MANAGEMENT	
QUALIFICATION CODE: 08PDPM	LEVEL: 8
COURSE CODE: PPG801S	COURSE NAME: PROCUREMENT AND GOOD GOVERNANCE
SESSION: JUNE 2025	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100
FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER	MS. PAULINA SHINANA
MODERATOR:	MR. TANGI NEPOLO
INSTRUCTIONS	
<ol style="list-style-type: none">1. Answer all questions.2. Read all the questions carefully before answering.3. Make sure your name and surname, question number and the date appears in the Header and Footer.4. Give special attention to the manuscript instructions.	

THIS EXAMINATION PAPER CONSISTS OF 6 PAGES (Including this front page)

SECTION A: SHORT QUESTIONS

(20 marks)

QUESTION 1

Provide the most appropriate term or phrase that correctly completes each sentence. Each question is equivalent to 2 marks. Write your answer clearly in the space provided. Spelling and accuracy matter.

Example:

1.1 Water boils at _____ degrees Celsius under standard atmospheric pressure.

Answer: 1.1. 100

- 1.1. The principle of _____ in procurement requires that all actions and decisions are documented and open to scrutiny to ensure stakeholders can verify that procedures were followed.
- 1.2. In the Namibian Public Procurement Act of 2015, the body responsible for conducting procurements that exceed specified threshold values on behalf of public entities is the _____.
- 1.3. The WTO Agreement on Government Procurement enforces the principle of _____, meaning suppliers from member countries must be treated no less favorably than domestic ones.
- 1.4. In procurement governance, _____ is achieved by ensuring different people are responsible for each key step in the process, such as requisition, approval, and payment authorization.
- 1.5. The procurement method designated as the default under Namibia's Public Procurement Act is _____.
- 1.6. The _____ is the unit within Namibia's Ministry of Finance that sets policy, issues standardized bid documents, and monitors compliance.
- 1.7. Procurement policies define the "what" and "why" of procurement, while _____ define the "how".
- 1.8. The _____ Model Law on Public Procurement (2011) is widely used as a template for countries developing national procurement laws aligned with international standards.
- 1.9. _____ procurement models consolidate purchasing authority into a single department or unit for standardization and cost control.

- 1.10. A _____ is a documented and mandatory set of steps staff must follow to implement procurement policies uniformly across an organization.

SECTION A: 20 TOTAL MARKS

SECTION B: STRUCTURED QUESTIONS (80 MARKS)

QUESTION 2 (40 Marks)

Review the Newspaper article titled “ACC probes Roads Contractor Company boss over N\$1.5m fuel tender” at the end of this question paper and answer the following questions.

- 2.1. Critically examine the procurement risks that may arise from awarding tenders without adequate oversight. (10 marks)
- 2.2. What specific internal governance failures likely occurred in this situation? Link your answer to key principles in Namibia’s Public Procurement Act. (10 marks)
- 2.3. Propose a control framework that would ensure the separation of roles and oversight in similar SOEs. (10 marks)
- 2.4. How should RCC have handled the tender process differently to ensure transparency and accountability? (10 marks)

QUESTION 3 (20 Marks)

Design a procurement performance dashboard for the Ministry of Education, Innovation, Youth, Sports, Arts and Culture. Identify at least five KPIs that capture value-for-money, compliance, and efficiency. Justify how each KPI aligns with good governance principles. (20 marks)

QUESTION 4 (20 Marks)

- 4.1. Briefly describe why risk management is essential in public procurement. (5 marks)
- 4.2. Identify two common procurement-related risks. (4 marks)
- 4.3. For each identified risk, propose one mitigation measure. (6 marks)
- 4.4. Explain how procurement planning can reduce exposure to risks. (5 marks)

SECTION B: 80 TOTAL MARKS

TOTAL MARKS:100

ALL THE BEST

ACC probes Roads Contractor Company boss over N\$1.5m fuel tender

Author: Tracy Tafirenyika

Published by: The Namibian Newspaper: 24 February 2025

Link: <https://www.namibian.com.na/acc-probes-roads-contractor-company-boss-over-n1-5m-fuel-tender/>

The Anti-Corruption Commission (ACC) is investigating Roads Contractor Company (RCC) acting chief executive Dasius Nelumbu over corruption allegations involving three tenders.

Documents seen by The Namibian show that one of the contracts under scrutiny is a N\$1.5-million fuel supply tender awarded to Eco Fuel Investment CC, a fuel contractor company allegedly linked to Victor Malima – a businessman implicated in controversial deals at the National Petroleum Corporation of Namibia.

Another RCC case involves allegations of overpaying subcontractors.

Nelumbu has denied any wrongdoing, saying there are distractors who are spreading misleading information.

ACC spokesperson Josefina Nghituwamata, says investigations for two of the cases are at an advanced stage.

“The ACC has close to three cases registered with allegations of corruption against the RCC,” she says. Nghituwamata adds that the third case was recently reported to the commission and is currently being investigated.

“Unfortunately, we are unable to discuss the specifics of the allegations in this instance or provide the names of anyone under investigation at this time,” she says.

According to her, “once the investigation is finished, we will be able to provide more information”.

Sources have told The Namibian that the ACC visited the RCC in November last year. RCC, a state-owned civil engineering outfit, has been in the red for the past few years and has relied heavily on government bailouts to stay afloat, including paying salaries.

Last year the Roads Authority – another state-owned company – expressed frustration, saying the RCC delayed the N\$43 million Engoyi-Omuntele road project in the Oshikoto region.

THE TENDER

Documents seen by The Namibian dated 11 November 2024 reveal how RCC chief executive Nelumbu requested an urgent fuel purchase, with the request only bearing his signature.

The fuel was purchased from Eco Fuel Investment CC and the transaction was made on the same day Nelumbu requested for the fuel.

The documents, which name Eco Fuel Investment CC the beneficiary of the payment, show that the transaction was successfully processed. Efforts to get comment from businessman Victor Malima on Eco Fuel were not successful.

Speaking to The Namibian last week, Eco Fuel spokesperson Hamberera Andreas said their company operates as a contractor for RCC but denied wrongdoing.

“Our focus is on delivering services as requested by our clients. We are not involved in the procurement processes of our clients and recommend reaching out to the RCC directly for further details regarding those matters,” she said.

‘CHAOTIC’

Nelumbu has also denied wrongdoing, suggesting that some employees have spread misleading information.

“We have some employees who like chaos and some who were dismissed. My hope is that you are not being fed information which is personal attacks.”

He explained that the company is committed to its projects.

A source who prefers to remain anonymous alleged that contract negotiations are being conducted over the phone, with some subcontractors overpaid.

TAINTED COMPANY

The RCC has been marred by alleged corruption and mismanagement over the past decades, with its executives repeatedly implicated in scandals.

In 2005, payments of nearly N\$4.9 million for land linked to the B1 City property development in Windhoek led to fraud and Anti-Corruption Act charges against former chief executive Kelly Nghixulifwa. Last year, he was convicted on one charge of fraud and three charges of corruptly using his position as chief executive.

In 2013, The Namibian reported that the RCC purchased a N\$3.4-million luxury house for an executive. That same year, its subsidiary, Bricks and Concrete Industries, owed Ohorongo Cement N\$15 million due to mismanagement.

In 2017, over 300 employees went unpaid, prompting a government bailout to cover salaries.

Despite evidence of chronic mismanagement, then-works minister Alpheus INaruseb sided with officials opposing the RCC’s closure. INaruseb was later demoted by former president Hage Geingob.

In 2017, the RCC approved the N\$800-million Windhoek Plaza project, with allegations that N\$20 million was earmarked as kickbacks for politically connected figures.

Former public enterprises minister Leon Jooste has in the past argued against bailing out the RCC. In 2021, he said that RCC’s debt exceeded N\$600 million.

The decision to shutdown RCC was never implemented.

In 2021, Jooste said the government had abandoned plans for RCC's liquidation. "The Ministry of Public Enterprises is not pursuing liquidation or judicial management but rather seeking an appropriate way to rescue the company," he said.

