

June 2024

MODEL FORM AND PROCSA FEE ADJUSTMENT DUE TO INFLATION

Clause 10.2.1.2 (Model Form) & C.3 (PROCSA), (Adjusting the Formula for Inflation) requires that the constant A be adjusted in July each year to accommodate annual inflation during the previous January to December.

According to the Bank of Namibia National Consumer Price Index: Goods and Services Inflation, the year-on-year inflation rate for 2023 new values were calculated.

The new values for constant A to be used in fee calculation formulae are given in Table 1 below:

Table 1: Values for constant A for fee calculations

ACEN MODEL FORM			
Section	Description	Constant A (previous)	Constant A (from 1 July 2024)
10.2.2.1	Civil/ Structural for building projects	0.6313	0.6354
10.2.2.2	Electrical, electronic and mechanical for building projects	0.5463	0.5492
10.2.3.1	Civil/ Structural for engineering projects	0.8688	0.8755
10.2.3.2	Electrical, electronic and mechanical for engineering projects	1.2124	1.2234

The Recommended Fee Percentages from 1 July 2024 are:

- Civil/ Structural for building projects: $0.6354 V^{-0.1133} \times 100$
- Electrical, electronic and mechanical for building projects: $0.5492 V^{-0.0920} \times 100$
- Civil/ Structural for engineering projects: $0.8755 V^{-0.1349} \times 100$
- Electrical, electronic and mechanical for engineering projects: $1.2234 V^{-0.1578} \times 100$

Yours sincerely,

PP



Mrs. E Cuff
Treasurer
On behalf of ACEN

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