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ACEN NEWS CIRCULAR – JANUARY 2020:

1. WELCOME TO 2020

Dear valued ACEN Member

From ACEN's side we wish you all a happy 2020, blessed with peace and prosperity. May 2020 be the turning point towards a productive new year in the industry.

2. ENGINEERING COUNCIL OF NAMIBIA (ECN)

The following ACEN related matters are dealt with in the ECN Council Meetings:

- **Request for Hourly Tariff increase** – None of the recent applications for the proposed new hourly tariff has been approved by the MWT. The ECN to find out whether a new submission should formally be prepared. No recent update on this matter.
- **Registration of Legal Entities under the Engineering Act 18 of 1986** - The draft Engineering Act requires registered professionals who want to do business as a Consulting Engineering Company to register with ECN. The current Council is however of opinion that this function should not resort under ECN and has recommended same to the Minister. Response is awaiting as a result of the new Engineering Act.

3. DEPARTMENT OF WORKS (DoW)

The last meeting between ACEN and the DoW was held on the 7th of November 2019; the following items were discussed:

- The DoW wanted to know what role ACEN is playing in the broader industry and relating to our Members. Derrick Langford has elucidated the role of ACEN to the meeting.
- **Training on the Public Procurement Act and Contractual documentation** –The undertaking of the newly established Industry Sub-Committee consisting of representatives from ACEN, INQS and NIA was explained to the meeting. (See detailed description on the Sub-Committee in ITEM number 4 of this Newsletter.) The MWTC (Department of Works) was formally contacted, requesting the names of three candidates from their side to represent DoW on this Sub-Committee. This initiative will be a combined force interacting with the Procurement Policy unit and other relevant entities.
- **Fee Claim Format** - The possibility of a uniformed fee claim format to be introduced for all Engineering disciplines is being debated but the meeting agreed that current issues regarding the Fee claim format should possibly diminish with the use of proper Contractual Documentation in agreement with the new Act.
- **Application for requested Hourly Tariff** – The current gazetted rate is still applicable for old projects. The ECN to submit a letter to the Ministry requesting an updated Hourly Tariff. New actions regarding Tariffs might not be applicable in upcoming projects due to the implementation of the Public Procurement Act.
- **VAT on Professional Fees** - This remains a controversial topic, seemingly different opinions on the topic of VAT being included or excluded on professional fees. This matter should be readdressed with the Ministry of Finance if not clarified with regards to the application of the new Procurement Act.
- **DoW Disbursement Schedule** - According to members present in the meeting; the previous 2006 version of the document 'DoW Schedule for Reimbursable Disbursements' has not been updated since. ACEN has sent an updated copy of ACEN Disbursements to MWTC to act as an example.

4. PROCUREMENT ACT (Industry Sub-Committee)

Following a meeting held between ACEN, INQS and NIA it was decided to create an **Industry Sub-Committee** consisting of representatives from ACEN, INQS, NIA and the MWTC (Department of Works) respectively, who will meet on a monthly basis to address matters related to the Public Procurement Act and also to act as a representative body with the various Government Institutions and Procurement Policy Unit on issues related to Professional Services and Fees and Contractual Documentation. The main initial aims of this subcommittee will be to:

1. Create a standardized Client-Consultant agreement to be used in conjunction with the Procurement Act.
2. Create standardized TOR for use by all entities using the Procurement Act

5. NEW CONTRACTUAL DOCUMENTATION – PROCSA

ACEN has engaged in an agreement with PROCSA to promote the PROCSA Suite of Documents as the preferred form of Client/Consultant Agreement to be used by the ACEN Members in future. The PROCSA Professional Client/Consultant Agreements are recognised internationally and used successfully in the industry for many years. The PROCSA Suite of Documents should be used in combination with the revised ACEN Fee Scale Model referred to as the Annexure C Document which you can find on the ACEN website under the PROCSA Tab.

6. ACEN Membership Awareness Strategy

ACEN has distributed an updated list of firms that are registered with ACEN to the MWTC, Regional Councils and Local Authorities.

7. INCENTIVE TO ACEN MEMBER FIRMS THAT ENGAGE IN APPOINTING INTERNS

An initiative was raised to consider the possibility of offering an incentive to ACEN Member firms that engage in appointing interns.

This initiative will be revived in 2020 once the ACEN Budget for 2020/2021 has been approved by Council.

8. WORKSHOPS, COURSES AND PROJECTS

Derrick attended a meeting with the Research Department of Bank of Namibia. BoN is conducting a study on immigration and economic development. The aim of the study is to examine how immigration policy can be used to compliment skills formation and support economic growth in our country. One of the areas they are zooming into with this study is that pertaining to the process and ease of acquiring foreign labour into Namibia. BON will be presenting their findings to cabinet in an effort to increase the ease-of-doing-business in Namibia.

9. ANNUAL DECLARATIONS 2020/21

The Annual Declaration form was e-mailed to Members. Kindly complete and e-mail the form back to ACEN by the 8th of February 2020. **PLEASE NOTE!!!** Annual Declarations NOT submitted by the due date will be invoiced with a 10% increase on your Total Staff numbers as per your 2019 Annual Declaration.

10. ACEN MEMBERSHIP FEES 2020/2021

The ACEN Membership Invoices for the 2020/2021 book year will be sent out at the beginning of March 2020. Council will be determining the fee increase as soon as the ACEN Budget for 2020/2021 has been approved by Council.