

August 2022

MODEL FORM AND PROCSA FEE ADJUSTMENT DUE TO INFLATION 2022

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 2021 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 2022)
10.2.2.1	Civil/ Structural for building projects	0.6246	0.6271
10.2.2.2	Electrical, electronic and mechanical for building projects	0.5415	0.5433
10.2.3.1	Civil/ Structural for engineering projects	0.8578	0.8619
10.2.3.2	Electrical, electronic and mechanical for engineering projects	1.1944	1.2011

The Recommended Fee Percentages from 1 July 2022 are:

- Civil/ Structural for building projects: $0.6271 V^{-0.1133} \times 100$
- Electrical, electronic and mechanical for building projects: $0.5433 V^{-0.0920} \times 100$
- Civil/ Structural for engineering projects: $0.8619 V^{-0.1349} \times 100$
- Electrical, electronic and mechanical for engineering projects: $1.2011 V^{-0.1578} \times 100$

The fee tables for the Annexure C - ACEN Recommended Fee Scales for Engineers E4.0 V1.1 and Annexure C - ACEN Recommended Fee Scales for Project Managers E4.0 V1.0 are still within the same parameters.

Yours sincerely,

PP 

Mr. Janus van der Merwe
Treasurer
On behalf of ACEN