

CONSTRUCTION NEWS

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• NCC: Aims and Objectives

- To unify the construction Industry, to promote its well being, to strive to create a profitable environment for its constituents, and to establish a united national platform encompassing formal and informal sectors of the industry and its professions
- To contribute to the reconstruction, rehabilitation and development of Zambia and the uplifting of all its people
- To promote and advance the status and public recognition of NCC, its members and the construction industry
- To promote encourage, support or oppose any legislation or other measures affecting the industry
- To address macro issues affecting the industry
- To co-ordinate, improve and facilitate the accessibility of training
- To strive, achieve, monitor and maintain the highest possible standards in the construction industry
- To add and amend these objects from time to time as decided upon by the National Council

2001 BUDGET REVEALS SLOW DOWN OF CONSTRUCTION ACTIVITIES



Construction activities slowed down in the year 2000

The 2001 budget has finally revealed what we all feared and that is that, the construction industry in this country slowed down in the year 2000, to register a growth rate of only 1.2% compared to the unprecedented growth rate of 11.2% in the previous year. To those of us that followed developments in this industry in the previous year, the 1.2% growth rate did not come as a great surprise, although quite frankly I had expected a negative growth rate, given the declining levels of investment in this sector. In presenting this year's budget, the Minister

of Finance alluded to PHI, RoadSIP and other private sector real estate developments (probably the renovations at the Intercontinental Hotel in Lusaka and the construction of the Sun International in Livingstone) as projects that helped to attain the 1.2% growth rate. Incidentally it was the same aforementioned projects that helped attain the 11.2 % growth rate for the industry in 1999.

At the macro-level, the Government failed to achieve its (GDP) growth rate of 4% but was close at attaining a 3.5% growth rate. With inflation, the Government was way out of

its target of about 17.5% inflation, ending at 30.1% and the Kwacha lost value to a tune of 63% in the year 2000 alone! Understandably, the Government has now initiated some moves to save the Kwacha through the Bank of Zambia. Unfortunately, the measures to save the Kwacha came rather too late and were meant to stabilise the Kwacha in the very short term (off loading US\$5.5m onto the Forex market) without corresponding measures for the long-term stability of the Kwacha.

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2001 BUDGET REVEALS SLOW DOWN OF CONSTRUCTION ACTIVITIES

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Incidentally, the Kwacha has already started its downward trend against major international currencies.

In simple economic terms, the rising value of the dollar could be attributed to high demand of the same, thus one would have expected the Government/Bank of Zambia to take long-term measures that will help in increasing dollar inflows in the economy or at least curtailing dollar demands. There can be no denying the fact that, part of the high demand for Kwacha goes to importing goods and services that this country is able to produce locally and competitively. Surely, should we continue using our scarce foreign exchange on importing such items as mangoes, ready cut chips and so on, when our farmers are stuck with such items, for lack of an apparent market?

In connection with the above reasoning, the other reasons that contributed to the rapid fall of the Kwacha was the massive externalising of the dollar by our friends (basically traders), who I shall simply refer to as investors for lack of a better term. These investors made their money in Kwacha, but had to externalise their profits in dollars, thus joining the dollar demand queue at the Banks. In the construction industry, the situation was no different from the mango or chips example cited above, as the industry continued to import foreign labour, at the ex-

pense of our abundant labour resource. At the end of the day, these foreign workers (sorry, experts) have to expatriate some money home; did we expect them to take the Kwacha to their home countries, certainly not, it was in dollars. The end results or consequences of the situation above, we already know or now have to bear. Given the above policies or is it practices; I am surprised that we were surprised at the rapid fall of the Kwacha against the dollar and other major international currencies. In this respect, I can not imagine the luck that these investors found themselves in December/January, this was after "making their kill" over the Christmas and New Years period and having budgeted to buy the dollar at about K4, 500-5,000 ready for externalisation, but only to be gifted by the Bank of Zambia's off loading US\$ 5.5m on the market and the rate dropped to K3, 500. In other words, those traders that bought the Kwacha during this period externalised more than they had budgeted for. Surprising however, the prices of goods and services including cement have remained the same despite the Kwacha gaining by about 22%. But had the situation been different i.e. Kwacha losing value, we would have seen the concomitant increases in fuel, and other goods and services.

Although it will be noted that there was an increase in the value of construction in

the year under review from K123.9bn in 1999 to K125.4bn in 2000 (at constant 1994 prices), it is important to observe that there are a number of outstanding bills from consultants and contractors to be paid by the Government, meaning that part of the money that the Government paid to these consultants and contractors was not for work done in 2000, but went to servicing interest on the unpaid bills/contracts. There is therefore urgent need for the Government to liquidate these outstanding bills to consultants and contractors and subsequently direct all its payments to work actually done. The Government has in the past given priority to ZCCM based contractors and suppliers, and there is no reason why this cannot be done to consultants and contractors in the construction industry (especially under RoadSIP).

Will the 2001 budget have any significant impact on the construction industry?

Looking at the 2001 budget, one has to commend the Ministry of Finance for a balanced budget. If one has to judge this year's national budget for what it is: a plan or Government's intentions of how it wishes to raise money and how it is to be spent, then one has to give credit to the Minister of Finance and his staff for the nice work done. Unfortunately, however, the success or failure of this year's budget will very much

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mainly political activities

"Zambia is currently facing serious problems which need serious solutions" Dr. George Chabwera-Immediate Past Chairman of ZACCI

CHILANGA CEMENT CHANGES HANDS

The ownership of Chilanga Cement plc, the country's only cement plant has once again changed hands, although unfortunately for the Zambia's construction industry, the monopoly status of the company continues.

Readers will probably have seen adverts in our dailies informing the nation and more especially the company's minority shareholders of the same development.

As we say bye to the previously major sharehold-

ers: CDC, and welcome to the new French owners, we in the construction industry would like to register our old concern pertaining to the monopoly status of Chilanga Cement plc on the production of cement in this country.

Given the fact that Chilanga Cement plc runs two cement plants, one in Chilanga and the other in Ndola, we would have thought that Government through the Zambia Competition Commission would have split the com-

pany into two: Chilanga and Ndola. In this way, the industry, and indeed the nation would have enjoyed the economic benefits that come with competition.

If it is not too late, is it not the opportune time, that CDC is selling out to split Chilanga into two? By the way, why has the price of cement not come down, now that the Kwacha has in the last one month gained by about 22%. No doubt, the coming of COMESA will surely make or break Chilanga Cement plc.

"We cannot reduce the price of cement as pricing is determined by either the appreciation or depreciation of the Kwacha. We buy things in dollars and as you know the Kwacha has not been static which is not practical to maintain the prices of cement in the country" -Mr. David Trangmar Chilanga Cement General Manager.

QUOTING IN DOLLARS BANNED, KWACHA GAINS, BUT PRICES AND RENTALS STILL REMAIN VERY HIGH

The Government has outlawed the quoting of prices for goods and services in dollars. The ban comes in the wake of the continuously loss of value of the Kwacha. However, two weeks after this measure was announced, there has been no corresponding statutory instrument or firm guidelines from Government or the Bank of Zambia to back this measure.

Consequently, a number of business houses have continued to quote in dollars with impunity. When the dollar has fallen at the commercial banks and Bureau de Changes, these business houses have always fallen back on their

own rates, which are always higher than the official rates. Is it not time the Government took ownership of this economy and bring some exchange rate stability? This is not to suggest that the Government should bring back state controls, but let us see some forward planning on the part of Government or rather some planning and not always some reaction.

In our industry, one only has to look at the classified pages of the two national dairies to see that properties (real estate) have continued to be quoted in dollars. Although the above measure, by the Government is

to be supported, it is important to understand that this measure alone will not bring an immediate reduction in the rentals and prices of properties. This is because the high value of properties is by and large as a result of the short fall between demand and supply of real estates in this country. On the contrary, any further moves to curtail the profit margins for the landlords will only assist in worsening the situation, as investors switch to other profitable investments. The answer to high rentals and property prices lies in increasing house/office buildings and nowhere else.

“Every developed nation in the World at one time went through the transformation from predominated informal, extralegal ownership to a formal, united legal property system, but in the West we’ve forgotten that creating this system is also what allowed people everywhere to leverage property into wealth”- Hernando de Soto; President of the Institute for Liberty and Democracy Lima-Peru

Women in construction-Irene Ndilila
Dipl.-Ing., (Weimar), M.Z.I.A., Registered Architect
 Architect and Partner with Ndilila Associates , Architects



Mrs. I. Ndilila in her office

Q. What is the best aspect of your job?

A. What I particularly like about my job is that every project is unique. Client’s requirements vary greatly even with buildings of the same category, not only from the functional and aesthetic point of view, but also in terms of budget and implementation. So there is no routine job.

Q. What is the worst aspect of your Job?

A. The most disturbing aspects for me are

- to see a design never being built
- to see certain design features disregarded or misunderstood because implementation was not in the Architect’s hands
- to see faulty workmanship

Q. Can you please describe to us, your typical working day.

A. In the mornings I usually do design work and supervise drawing production in the drawing office. Site meetings and inspections with their follow up correspondence I preferably arrange for the afternoons.

Q. Do you regret becoming an Architect or entering this male dominated industry?

A. I don’t at all regret becoming an architect. It is a very interesting and creative profession. I enjoy creating things, whether this be a building, a garden, a piece of furniture or a garment.

With regard to male domination, I am glad having grown up in an environment in the for-

mer East Germany where gender in terms of carrier was not an issue. In fact at the University I studied, female students even slightly out numbered male students and a recent re-union showed that all those female students trained, have in fact taken up their professions.

During my working life, I have neither here in Zambia nor in Germany felt that clients, contractors or colleagues considered me a lesser architect because of being a woman.

Q. Who has been your greatest inspiration in your life, especially in taking up Architecture as a Career?

A. The one responsible for me becoming an architect is my father, who simply suggested it when time came to make a decision. Although he is not from any related field, he too loves creating things. I still clearly remember the doll’s house he made for me one time at Christmas.

Inspirations for my work came from:

- Dr. U. Tielsch, my mentor and colleague, who I

Women in construction continued—Mrs. Irene Ndilila Dipl.-Ing., (Weimar), M.Z.I.A., Registered Architect Architect and Partner with Ndilila Associates, Architects

worked with for 5 years in a design office in Germany just after graduation. He made me appreciate the importance of construction details for a successful realization of a design concept.

- The late Mr. E.G. Lorenz, a well known Lusaka based architect who my husband and I were in partnership with for ten years. I admired his analytic and logic approach to design. To him every architectural feature had to have a purpose, nothing was accidental.

Q. What has been your favourite design to date?

A. My favourite design has been a group of 8 maisonettes for Zambia State Insurance Corporation, which were completed in 1987 along Sable Road in Kabulonga and which received a design award from the Zambia Institute of Architects in the

multi-residential category.

Q. If you could swap jobs, what would you choose to do?

A. I do not desire to swap jobs, but if for any reason I would have to do so, I would not mind to be a furniture designer or a landscape architect.

Q. Which schools, colleges and Universities did you attend?

A. I studied Architecture at the University of Architecture and Civil Engineering Weimar in Germany, where in 1975 I attained a Master of Science (Architecture) Degree with a Dissertation on “Design and Construction of Medical University Campuses”.

In 1999 I obtained formal training in AUTOCAD at the Cadplan Centre in Johannesburg.

Q. What are your future plans, career wise?

A. I am looking forward to being able to utilize the full potential of our office machinery, particu-

larly for design presentation. We have come to a stage where all our project drawings are computer generated and are in the process of applying its 3 dimensional capacities. I am looking forward to fully mastering computer generated photo real presentation.

Q. What are your hobbies?

A. I like planning my garden, home decorating and dress making.

Q. What piece of advice do you have for the young girls or women intending to take up Architecture or any other construction related job?

A. I wish to advise them not to set themselves any career limits and to see themselves first and foremost as persons and only secondarily as women. With this in mind, they will be able to stand their ground in any carrier. Knowledge, capability and experience will always be the recipe for recognition in any profession for men and women

“There is no crisis whatsoever. Privatisation is not a religion or an act of faith. We need a better partnership in the public sector, not the vulture-like approach of feasting on ailing parastatals”-Dr. Katele Kalumba Minister of Finance and economic development.

TENDERS-TENDERS-TENDERS,

BUILDING AND REHABILITATION OF ZESCO TRAINING CENTRE: BUILDINGS, CIVIL, ROADS AND MECHANICAL WORKS (Contract 7.4.10) Credit No. Cr 3042-ZM

Invitation for Prequalification

This invitation for prequalification follows the general procurement notice for this project that appeared in Development Business No. 482 of March 16, 1998.

The **Government of Zambia** has received a credit from the International Development Association, hereinafter referred to as the IDA, in various currencies towards the cost of the **Zambia: Power Rehabilitation Project** and intends to apply part of the proceeds of this credit to eligible payments under the contracts for the **Building and Rehabilitation of ZESCO Training Centre**, for which this Invitation for Prequalification is issued ZESCO Limited intends to prequalify contractors for the following:

- Demolitions of some of the existing structures
- Rehabilitation of some existing structures
- Construction of new single and double storey buildings
- Construction of new Double volume multi-purpose Hall
- External Services and drainage including roads and walkway areas, playing fields and courts.

The works shall be carried out to a phased programme to be agreed with the Project to minimise interference to the continued functioning of the Centre. It is expected that invitations to bid will be made in April 2001.

Prequalification will be conducted through prequalification procedures specified in the World Bank's Guidelines: Procurement under IBRD Loans and IDA Credits, January 1995 (revised January and August 1996 and September 1997 and January 1999), and is open to all firms and voluntarily formed joint ventures from eligible source countries as defined in the World Bank's Guidelines.

Interested eligible bidders may obtain further information from and inspect the prequalification documents at ZESCO Ltd. Address below) from 9 am to 4.30 pm Lusaka time. A complete set of prequalification

*“The problem here is that we took parastatals as bonuses for those that fought during the freedom struggle even if they didn't know to manage them. But modern parastatals with professional management can prove useful” -
President Chiluba*

TENDERS-TENDERS-TENDERS

documents in English may be purchased by interested bidders on the submission of a written application to the address below and upon payment of a non-refundable amount of USD20. The document will be sent by registered airmail, but under no circumstances will it be held responsible for late delivery or loss of the documents so mailed. A minimum requirement for qualification will be to have successfully carried out at least two projects, within the last five years, of a nature and complexity comparable to the proposed assignment, covering complex buildings and civil works. The employer reserves the right to accept or reject late applications.

Applications for prequalification should be submitted in sealed envelopes, delivered to the address below by February 9, 2001, and be clearly marked

“Application to Prequalify for ZESCO Training Centre Building and Rehabilitation Project, Contract No. 7.4.10”.

Applicants will be advised in due course of the results of their applications.

Mr. A.C. Mangamu

**Director – Power Rehabilitation Project
ZESCO Ltd.
Plot #6949 Great North Road
P.O Box 33304
10101 Lusaka, Zambia
Direct phone +260-1-239343/223970
Fax +260-1-239343/223970**

E-mail:prpzesco@zamnet.msaya@zesco.co.zm

Only firms and joint ventures prequalified under this procedure will be invited to bid.

SHIMIZU Corporation of Japan to reconstruct Lusaka roads Shimizu Corporation a Japanese construction company has been awarded the contract to reconstruct roads in Lusaka’s main business district and part of the industrial area. The above road reconstruction programme will be financed through a US\$ 10m grant from the Japanese Government. The contract is said to include the clearing of drainage in the City centre. The Project manager, A Mr. AKIO Oki is said to have assured the nation and the Government in particular that, the whole project would be completed well before the July 2001 OAU Summit (**Times of Zambia** Business News-1st February 2001).

“Investors do not just look at the country because the market is open. They consider power failures and political stability. Coups, infighting and poor infrastructure may erode investor confidence”- Mr. El Tigani Ibrahim— IMF Resident representative in South Africa.

LEASE FINANCING

By Cllr. George Gasper Tembo
Cell: 097-780241

LEASE DEFINITION

Leasing is an alternative to acquiring an asset by instalment credit or through the aid of a mortgage or term loan. It involves no capital outlay from the lessee for the hire of a particular asset.

A lease is a contract entered between lessee and the lessor for the hire of an asset of the lessee's choice from a manufacturer or supplier of such an asset subject to payments of monthly rentals over an agreed period of time.

The Lessor shall retain the ownership of the asset and the lessee has possession and use of the economic life span of the asset.

TYPES OF LEASES ON OFFER

There are two types of leases; i.e. Finance Lease and Operating Lease.

Finance Lease:

A financing arrangement whereby a user can acquire use of an asset for most of its useful life. The user is responsible for maintenance, taxes, licences and insurance. After the successful comple-

tion of the lease contract, the asset may be retained by the lessee and assume ownership.

Operating Lease:

The lessee acquires use of an asset for a specific period of time subject to payment of monthly rentals. The ownership of the asset remains in the Lessor's name and the lessee or his associated bodies cannot purchase the asset after the lease period.

WHY THINK ABOUT LEASING

The continued viability of any industrial, commercial, construction or agricultural undertaking ultimately depends on how effectively it can mobilise financial resources with a view of improving productivity so as to remain in business. Any undertaking desirous of growth, expansion, modernization or diversification would require resource mobilization especially from finance houses. Though relatively less costly, the procedural formalities are cumbersome and time consuming.

Leasing provides an alternative to such financial problems and a

potential financial source and facilitates access to sophisticated technology, such as modern industrial and mining machinery, agricultural equipment, construction machinery computers etc.

EQUIPMENT SUITABLE FOR LEASING

The Lessor will consider providing lease finance for capital equipment as under:-

- Industrial machinery
- Mining Machinery
- Agricultural equipment
- Computers
- Office furniture and machines
- Building equipment such as scaffolds
- Wide range of motor vehicles including heavy duty trucks such as earth moving equipment like caterpillars, graders etc.
- Construction equipment

ADVANTAGES OF GETTING A LEASE

The advantages of a lease is that the asset is readily available, and in good condition which may not require capital injection from the lessee apart from the monthly rental commitment. We tabulate here

"A poor man has no friend except himself", An African proverb.

LEASE FINANCING cont.

-ment. We tabulate here below some advantages:

1. You enjoy tremendous cash flow advantage as the facility enables you acquire a capital asset and generate profits from the use of the equipment.

2. Your valuable working capital and credit line is not tied up and can be used for other inputs.

3. You can easily budget and forecast your cash flow as lease rentals are fixed.

4. You will get tax relief as rental repayments are allowable during tax computation.

5. You have a sound hedge against inflation as the equipment is acquired immediately and made available for use and rentals met out of future earnings.

6. A lease is a non-cancellable contract, hence provides certainty, unlike other financing facilities such as term loans and overdrafts, which are repayable on demand or reduced during credit squeeze.

HOW TO APPLY FOR A LEASE FACILITY

You are required to source for the equipment that you wish to use in your Business operations and arrange for the terms of supply and delivery with the manufacturer or supplier. You submit your business proposal to your financiers with details of the asset you want to hire and the costings.

SOME OF THE PERTINENT TERMS AND CONDITIONS OF A LEASE FACILITY

- The lessee should comprehensively insure the asset before the official handover.

- It is the responsibility of the lessee to meet running costs, maintenance, repairs and security of the asset.

- Rental instalments should be paid monthly, and any default will attract a penalty charge.

- Audited books of accounts shall be submitted to your financier yearly during the course of the lease period.

- The cost of the lease is quoted in Zam-

bian Kwacha

- The leased asset is subject to inspection at any time by officers from the financier after a specific period of time.

LIST OF LEASING COMPANIES

1. Union Leasing (Z) Ltd. Lusaka
2. - Stanbic Leasing Lusaka
3. - Zanaco Leasing Lusaka
4. - Barclays Bank Leasing Lusaka
5. - Access Finance Lusaka
6. - Industrial Credit Company Ndola
7. - State Financing Co. Lusaka
8. - Unifinance Company Lusaka

THIS PAPER WAS PRESENTED AT NATIONAL ROADS BOARD WORKSHOP

Held at the PAMODZI HOTEL On 10TH JANUARY 2001

“The Konkola Copper Mines is not moved by new Government regulations to allow investors to retain 75% of their earnings locally. This is because the Mine is covered by clauses in the sale which can not be abrogated whether there was a new President or Government. KCM would not be affected because clauses entered into could not be changed even by Parliament.” KCM management (Sunday Mail 4th February 2001)

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depend on other activities mainly political activities unfortunately centering on party cadres from all political parties, especially that this is going to be an election year. Thus the relation between the Government and our co-operating partners on one hand and that between the Party in power and the opposition parties and the NGOs, the Churches and others on the other, especially given that about half of this year's budget is to be funded by the donors. If the Government will manage to keep its relation with the donors and other political parties cordial, under the good governance benchmark, then we are likely to record some very good economic results this year. Although this year's budget will certainly go a long way in attaining economy stability, all things remaining constant (they rarely do), I have my doubts in terms of its ability to spur the construction industry to a boom period. My reasons are based on the following:

2001 budget 53% donor Financed!

At the risk of biting the finger that feeds me, let me state that from past experience, donors have demonstrated a very high propensity to move goal posts around, each time the debt countries, including Zambia, are about to score. Given this past experience, I am inclined not to believe that the donors will honour 100% of their financial pledges. Quite honestly, the committing of more than half of our budget to donor financing was a very serious political (and not economic) error in judgement. Already in January itself, we would appear to be heading for a conflict with the World Bank and other co-operating partners on the privatisation of the remaining key parastatal companies like ZESCO, ZAMTEL, ZNOC, TAZAMA, ZANACO and others. On the political front, the Churches and other political parties seem geared for a show down with the ruling party, over the incumbent President going for a Third Term. In the event that the donors delay or withhold their money, we are likely to see very high domestic borrowing by the Government or alternatively the printing of more money, of which the economic consequences in this country will be very severe. In the event of that happening, interest rates will certainly have to go up substantially, with the consequent that very little construction (probably the OAU village and a few other private investments) will take off this year. For the little construction that will take off, the price of cement and other construction goods will certainly shoot up. For the Kwacha quoted projects, many will be left standing without completion.

The other possible scenario, is that if the Government-donor relation holds and most of their funded projects take off, there is still going to be very minimum input and benefit for locals, save for having the final construction product, such can be a hospital, school, roads or bridge. This is because of the tendency by donors to empower their kith and kin, when it comes to awarding construction contracts funded by them, under the guise of International Competitive Bidding. Unfortunately, the donors have been assisted in eliminating locals in their projects by some Zambians or public servants paid by the Zambian taxpayers, but who still think they are more World Bank than the World Bank itself.

Capital Expenditure to be 81.3% Donor funded

On paper, this year's budget should be hailed for substantially increasing the capital expenditure side of the budget to a reasonable percentage (26.25%) of the total budget. However, the fact that the donors will finance 81.3% of this year's capital budget takes us back to the fears expressed above. It is for the same reason, that we in the construction industry will not be celebrating the increase of capital expenditure (predominantly funded by donors) in this year's national budget, although we have been crying for this increase. The above notwithstanding, it will be appreciated that in this year's budget, the Government has also substantially increased its domestically financed capital spending by 67.9% from an allocation of K165bn in 2000 to K277bn in 2001.

Allocation of K64bn to the OAU Village

In an ideal environment, the allocation of the K64bn in the national budget for the preparations in hosting the OAU summit, should have cheered the local construction industry, knowing very well that about K50bn of that total will go towards the building of new infrastructure or improving of existing ones. If we are to learn anything from the past, it is that in reality much of the benefits of that allocation will go in the pockets of foreign construction firms, some of whom are already in the country with little or no long term benefit to the local industry, save for the purchases of Chilanga Cement. The propensity of our Government and its agencies to engage and empower foreign firms at the expense of locals in the industry, could explain the reasons why this year's budget theme was deliberately dubbed "Empowering **People** for Prosperity" rather than "Empowering **Zambians** for Prosperity".

In all fairness, however, it is only true to state that there will be some increase in the contribution of the industry to GDP with the hosting of the OAU conference, albeit less than what it would have been, had PHI decided on engaging more Zambian labour than it has hitherto. There will definitely be cost to the national economy in engaging foreign labour at the expense of local labour: what economists would call opportunity cost of engaging the Malaysians and Koreans.

Domestic borrowing will become very expensive

In her efforts to arrest the continuous fall of the Kwacha, the government through the Bank of Zambia has increased statutory reserves ratios for Commercial Banks from 9 to 11% and finally to 15%. Already the Commercial Banks response has been very swift, in that interest rates have been adjusted from around 35% to about 43%. In doing so, the Bank of Zambia has also been able to mop out about K130bn from circulation. Whereas, the above will no doubt have the effect of slowing down the demand for dollars, we in the construction industry are likely to see similar slow down in business, as borrowing becomes more competitive and expensive. In this context, it must be understood, that in Zambia, like else where in the World, construction finance is normally through borrowing, be it at a personal, institution or national level.

Interest rates are also likely to go up owing to the K98bn that the Government plans on getting through deficit financing. Here again, we are assuming that the Government will opt to borrow locally rather than print more money. In any case, we are still likely to see a rapid growth of money supply, resulting from this domestic borrowing by Government.

Re-capitalisation of Development Bank of Zambia will assist in making construction finance readily available

The announcement by the Finance Minister that Government is to recapitalise the Development bank of Zambia, will no doubt assist the industry in accessing the much needed capital in the industry. In saying, so, I am under the impression that this capital will be lent out at favourable terms and rates. I must however, hasten to mention that, providing financing capital to the economy and the construction industry in particular is not enough, if at the end of the day, there will be no effective demand for construction goods and services produced in the economy.

Global Technology Network-Africa

The U.S. Global Technology Network (GTN)- Africa is a U.S. Agency for International Development (USAID) service designed to facilitate the creation of strategic alliances between U.S. and African firms. By assisting the transfer of U.S. technology to Africa" GTN-Africa enables African businesses to achieve sustainable development objectives with American technology and services.

GTN-Zambia Program Overview

Zambian firms seeking to purchase/represent U.S. technology , or to initiate long-term business relationships with U.S. firms will register their request with the GTN-Zambia Representative. The Representative will meet with your firm to gather detailed information regarding your company's background, the technology or service request, and project requirements (shipping/payment terms, financing, product specifications, etc.).

Your request will then be sent to Washington D.C., where GTN-Africa staff reviews the request and matches it with interested U.S. suppliers or partner firms. Qualified requests are sent within 24 hours via e-mail to U.S. companies registered with the GTN-Africa program. U.S. firms will then establish direct contact with the Zambian firm.

GTN-Zambia Follow-up Services

Shortly after your business request has been disseminated to U.S. companies, the GTN-Zambia Representative will contact you to monitor your progress on completing a business deal with a U.S. company. The representative can also assist you in responding to the U.S. firms' Letters of Interest.

Sector Focus of GTN-Africa

To create sustainable private sector linkages, GTN identifies business opportunities in a number of USAID sectors critical to the development process:

Agricultural Technology, Communications & Information Technology, Environmental & Energy Technology, Health Technology, Mining, Tourism, Construction, Consumer goods, Financial services, Transportation etc.

Africa Trade and Investment Policy Program (A TRIP)

This program focuses on promoting exports from Zambia to the USA. The program also aims at increasing the international competitiveness of the selected host countries in doing business within the region and the U.S.A.

Sponsoring Organisations and Partners

GTN-Zambia works in collaboration with the U.S. Embassy , the USAID mission, Trade and Investment Promotion Organizations and the Private Sector. GTN-Zambia is managed and hosted by the International Executive Service Corps.

To Register a Business Request

Zambian entrepreneurs interested in working with a U.S. firm in one or more of the above sectors may contact the GTN-Zambia/ A TRIP Country Representative listed below.

**Mr Moses Simemba, Global Technology Network-Zambia/Africa Trade and Investment Policy Program Country Representative
International Executive Service Corps, 19A, Nsumbu Road, P.O. BOX 320144,
Lusaka, Zambia.**

“The Malaysians had the best and cheapest (building) technology which the Zambians did not understand”- Mr. Richard Sakala (Times of Zambia, 1st February 2001).

NCC SUB-COMMITTEES

EXECUTIVE COUNCIL

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TENDERS

TENDER FOR THE PRE-QUALIFICATION OF CONTRACTORS TO TENDER FOR THE CONSTRUCTION OF THE MONGU-KALABO ROAD

The Government of the Republic of Zambia has received funds from the Kuwait Fund for Arab Economic Development (KFAED), the Arab Bank for Economic Development in Africa (BADEZ) and the OPEC Fund for International Development (OPEC) towards the cost of the construction of the Mongu-Kalabo road.

The Zambia National Tender Board, on behalf of the Ministry of Works and Supply, now invites contractors to submit proposals for pre-qualification of the construction of the Mongu-Kalabo road.

The project involves the construction of approximately 73Km class IC (surface sealed 6.1m carriageway + 1.5m shoulders either side) of the road from Kalabo to Mongu, about 45Km of the total length will require a high (3-6m) embankment with extensive flood/erosion protection works and numerous drainage structures to traverse the flood plain of the Zambezi river, and the construction of the approaches to the ferry crossing of the Zambezi river as well as the provision and installation of two new ferries.

Eligible applicants may obtain the pre-qualification documents from the office of the Director General, Zambia National Tender Board, 13th Floor, Kulima Tower, P.O. Box 31009., Lusaka, Zambia. Upon payment of a non-refundable fee of ZMK 200,000 or its equivalent in any freely convertible currency at the prevailing exchange rate in cash or bank certified cheque.

The telephone numbers are 260-01-227052/3 or 260-01-228633/4 and telefax numbers are 2690-01-220577 or 260-01-2223649, E-mail tenders @zamnet.zm. However, telefax applications will not be acceptable.

The closing and opening date for the submission of prequalification proposals is Friday, 30 March 2001 at 14:00hrs local time. Bids will be opened immediately thereafter in the conference room of the ZNTB on the 13th Floor in the presence of bidders or their representatives who choose to attend. Late bids will not be accepted.

E.M.M, Sikanyika (Mrs.)

Board Secretary, Zambia National Tender Board

THINKING OF ORGANISING A WORKSHOP/ CONFERENCE/SEMINAR? THEN CONTACT NCC SECRETARIAT

The NCC, as part of its activities either on behalf of its members or for independent clients. Organises conferences, workshops and seminars on a variety of topics related to the Construction industry. Resource persons can be drawn if required from its membership of consultants, contractors and Government.

The NCC operates a full time secretariat which is currently situated at the

Government Roads training School, Plot 1609/1625, Off Sheki Sheki Road, Light Industrial Area. The NCC also provides the following services; Photocopying, fax, e-mail, typing and internet facilities.

To organise a workshop/conference/seminar the independent client or member organization will have to:

Make a request in writing stipulating the type of ser-

vice required

Pay a non-refundable commitment fee of US\$250

Contact persons:

Dr. M.S. Mashamba -
Executive Secretary : 01-243115/096-763669

Francesca Imutowana,
Conference Co-ordinator:
01-243115/096-761678