

Martha V V

REPUBLIC OF NAMIBIA

## MINISTRY OF AGRICULTURE, WATER AND FORESTRY

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Enquiries Jonas Nghishidi, NAFOLA (2087330)

Ms Gbeho UNDP Representative Coordinator Private Bag 13329 Klein Windhoek, WINDHOEK

Dear Ms Gbeho

Office of the Permanent Secretary Luther Street Private Bag 13184, WINDHOEK

Date: 25 September 2017

Sex to you

SUBJECT: CONSTRUCTION OF THE MARKETING FACILITY IN TALLISMANUS, OMAHEKE REGION

Reference is made to the meeting that took place between our respective offices on 06 July 2017, regarding the construction of livestock marketing facility in Tallismanus under the Sustainable Management of Namibia's Forested Lands (NAFOLA) Project.

It was noted that the tender procedure for auctioning kraal was followed and the company awarded the project has the capacity to carry out the project. However, during the construction of the facility, it was established that items reflected in the bill of quantity was under calculated. This led to variations on items and therefore the tender price has been exceeded.

At the site meeting between the NAFOLA Project, Contractors and the Project Management Company dated the 18th May 2017, the Project Management Unit of NAFOLA Project established that variations were necessary since some of the items were omitted in the bill of quantity. The meeting dated the 6th July 2017, resolved that the NAFOLA Project support towards the construction of the livestock marketing facility is NAD 6.3 million as per the initial tender amount. The remaining amount required to complete the facility will be covered by the Ministry of Agriculture, Water and Forestry (MAWF), through its Capital Projects for the Auction Kraal establishments. I therefore hereby confirm that the remaining amount of NAD 2.5 million will be paid by the Government of Namibia.

Please accept, your Excellency Ms Gbeho the assurance of my highest consideration.

Percy W. Misika
PERMANENT SECRETARY