

# Newsletter

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# ARMFA Executive Committee Deliberate on Africa's Road Infrastructure Development

The Executive Committee of the African Road Maintenance Funds Association (ARMFA) member countries convened in Swakopmund, Namibia from 25 – 28 January 2022 to craft the Strategic Plan of ARMFA for the next 5 years and to prepare for the 18<sup>th</sup> ARMFA AGM, to be hosted in May 2022 in Dakar, Senegal.

The meeting was officially opened by Honourable Maureen Hinda, Deputy Minister of Finance, and was hosted by the Road Fund Administration of Namibia under the befitting theme, “Road Funding for the Preservation of Africa’s Road Assets.” The theme confirms the Mission of ARMFA which is to “Promote knowledge sharing and best practices in the mobilization and management of resources for road network improvement in Africa.”

The current economic woes being experienced around the world, exacerbated by the dire impact of the outbreak of COVID-19, call for prudent consultation on how the available resources can be deployed to maintain this very important tool, namely the road infrastructure, for all of Africa.

The Minister said that in the wake of air transport coming to a virtual standstill during the pandemic, the dependency on proper roads for delivering much-needed medicine and other commodities to affected communities on our continent was propelled to the forefront of saving lives. Needless to say, the maintenance of this vital part of creating a better life for our fellow brothers and sisters is of high importance.

“Therefore, the Road Funds across the continent have a responsibility to ensure sustainable funding of maintenance and preservation of the road network. Transport infrastructure, especially road networks, are key instruments in economic development. This would ensure that, even amidst

cataclysmic events such as the COVID-19 pandemic, we will stay interconnected, so that our people would be able to travel across borders and move goods needed for improved services, efficiently and cost effectively,” said the Honourable Minister.

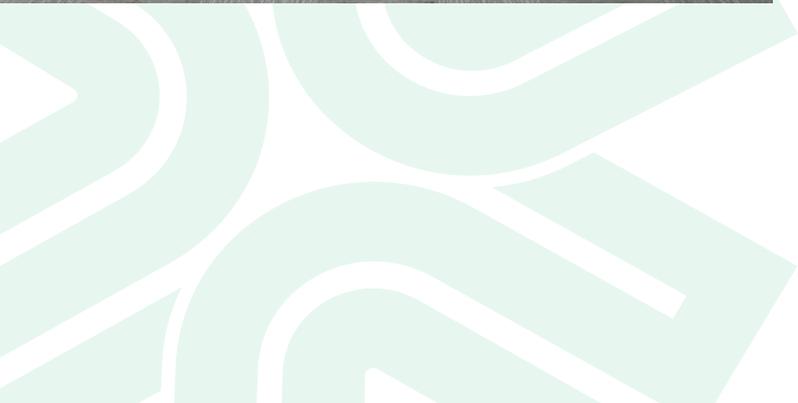


Economic development and social transformation cannot be fostered efficiently in the absence of well-developed and well-maintained roads. This is especially true for developing economies and Africa in particular, an economy with high potential growth, which needs to be unlocked through a concerted investment compact in skills, technology and infrastructure development.

Road Fund Administration CEO and ARMFA president Ali Ipinge said the organisation faces a number of challenges, such as the preservation of over 2.9 million kilometres of African roads, as well as the transport sector.

Ipinge said that ARMFA and African Road Funds will also look into issues that are impacted by their role, such as the African Continental Free Trade Area.

Additional deliberations were centred around issues of investing enough resources to develop key road corridors, or maintaining feeder roads at optimum levels, how Road Fund Agencies can manage various disruptors, including pandemics such as COVID-19, and lastly the emergence of new energy and fuel-efficient vehicles.



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# Emergency Fire Drills at Head Office

Workplace safety is essential for the wellbeing of employees. The RFA's safety programme is designed to encourage employees to commit to workplace safety and to follow all safety procedures, adhere to the set safety standards and promote safe practices throughout each workday.

The RFA's Emergency Committee successfully conducted a Fire Drill at the Head Office on 11 March 2022 to ensure all employees in the building know and understand the evacuation plan, in the event of a real emergency.

Additionally, a fire drill presents the perfect opportunity to tighten up rules and amend risk assessment to ensure a seamless evacuation in the event of a real fire outbreak.

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# Ministry of Health & Social Services Receives Office Equipment from RFA

The Port office of the Ministry of Health and Social Services at Oranjemund Border Post received a donation of office equipment worth N\$33,000 from the RFA at the opening of the border post on 03 March 2022. The Oranjemund Border Post was inactive for a period of two years as a result of disruptions in cross-border trade due to COVID-19. The donation reaffirms the RFA's commitment to working in unison with its stakeholders.

Comprised of two photocopy/printer machines, two office desks, four office chairs, two bar/highchairs and five benches that will accommodate at least 20 customers in the queuing area, the equipment is set to assist with operational efficiency at the border post.

The southern border posts are of strategic importance in the development of the Trans-Kalahari and Trans-Orange logistics corridors and support the national commitment towards making Namibia a gateway to the economic markets in the Southern African Development Community (SADC).



# RFA and Nedbank Namibia Enter Loan Agreement

The RFA secured a N\$350 million loan deal from Nedbank Namibia for the funding of the Low Volume Road Seal Strategy (LVRSS), designed to upgrade high-traffic gravel roads to a low volume bitumen seal. The LVRSS is an alternative maintenance strategy to optimise available funding by conducting more road maintenance work with limited financial resources. The two institutions signed the loan agreement on 11 April 2022.

The strategy was developed in October 2020 following an increased funding gap, challenges experienced due to inadequate maintenance, rapid deterioration of the gravel road network, depletion of available gravel material, and the high cost of gravel road upgrading, amongst others.

The main objective of the LVRSS is to improve the level of service on gravel roads for road users, resulting in reduced vehicle operating costs and

time saving. The overall maintenance demand is also reduced, leading to cost savings in a number of routine maintenance activities.

Low Volume Sealed Roads (LVSRs) differ from higher standard bitumen sealed roads as they are normally of lower geometric standards, i.e., horizontal and vertical alignments are not improved and follow the natural terrain. LVSRs are designed for a lifespan of less than 15 years. The upgrading of low-traffic gravel roads to appropriate bitumen surfaced standards is a viable solution to reduce the increased cost of unsealed road maintenance and preserve scarce road building materials.

In addition, the upgrading of roads to Low Volume Seal standards has wide-ranging benefits, including an increase in road user satisfaction and reduction of vehicle maintenance costs, reduction of dust emissions, improved road safety, access to communities and improved vehicle/driver efficiency which reduces fuel costs.

The RFA ranks amongst the top performing state-owned enterprises in Namibia, with good corporate governance and a healthy financial position. The RFA's mandate is to manage the Road User Charging System (RUCS) and the Road Fund (RF), with the aim of recovering the full cost of road expenditure from road users in an equitable manner. The system determines the amount of funds and the way the money should be raised from road users in accordance with the "user pay" principle.

"We initiated the relationship with RFA in 2016 and Nedbank Namibia has become a key partner in their business, and the debt funding is the first step towards furthering the partnership with the RFA.





We believe that there is room to further advance this relationship and partnership with the RFA,” commented Nedbank Namibia Managing Director, Martha Murorua.

Namibia has a road network spanning approximately 49,000 km, valued at N\$101 billion, of which about 83% is unpaved. Since inception, the RFA has invested more than N\$20 billion in road infrastructure. Namibia ranks number one in Africa and 21<sup>st</sup> in the world in terms of quality of road infrastructure.

“Due to budgetary constraints, it has become a serious challenge to adequately maintain the gravel road network. Consequently, the road network is in poor condition and continuously deteriorating. Indications are that if we do not act promptly, the situation will deteriorate to a point where 75% of the gravel road network is projected to be in a poor to very poor condition by 2025,” explained the RFA CEO, Ali Ipinge.

Although the initial outlay of upgrading to LVSR (at approximately N\$2.5 million to N\$ 3 million per kilometre) is higher than the cost of conventional gravel repair and re-graveling (N\$500,000 per kilometre), the long-term benefits are greater for the LVSR, on which conventional maintenance only needs to be carried out periodically, which makes it more economical over a 15-year life cycle.

This is in line with the global and regional shift of upgrading gravel roads to LVSRs, which cost approximately 25% of the cost of standard bitumen roads. The benefits lie in significantly lower maintenance costs, while the value of the road after the 15-year period remains high.

The current estimates indicate that Namibia should upgrade 315 km to LVSR every year at a cost of N\$923 million per annum, in order to arrest the rapid deterioration and reclaim the gravel road network to an acceptable condition.

Murorua said despite the tough economic environment, Nedbank Namibia has committed to supporting the economy through credit extensions to account holders and by engaging clients on debt restructuring.

“The funding agreement with the RFA illustrates our commitment to playing our part in seeing the Namibian economy grow. Good roads play a crucial role in overall economic development. At Nedbank Namibia, we have no doubt that the loan will add value to the transport sector in the country and further stimulate economic activities in other secondary and tertiary sectors,” said Murorua.

# RFA Hosts Coachella-Themed Awards Ceremony

The RFA treated employees from all of its 20 offices to an eventful get-together following the cancellation of its year-end function, originally planned for 08 December 2021, due to the dramatic rise in COVID-19 cases countrywide at the time. To make up for lost time, the institution hosted the fun-filled event on 12 March 2022 at Droombos under the theme “RFA Coachella Music Fest 2022.” Joy and excitement were written on each and everyone’s face and it was indeed fulfilling to see colleagues unwind and network in a social setting, after almost two hard years of COVID-19 restrictions.

The event started with team-building activities as icebreakers, which included tower and bridge building, Djembe drumming and music making, all of which engaged and entertained colleagues at the same time. The event concluded with an Awards Ceremony in recognition of the hard work and excellence displayed throughout 2020 and 2021.

Our heartfelt CONGRATULATIONS to the following colleagues who scooped well-deserved awards in different categories at the RFA 2021 Awards Ceremony:



**CBC OFFICE OF THE YEAR**  
Category B — Windhoek



**CBC OFFICE OF THE YEAR**  
Category C — Katwitwi



**CBC OFFICE OF THE YEAR**  
Category A — Ariamsvlei



**CUSTOMER SERVICE EMPLOYEE OF THE YEAR:**  
Central Cluster — Helena Motonane



**CUSTOMER SERVICE EMPLOYEE OF THE YEAR:**  
Northern Cluster — Rachel Jonas



**DIVISION OF THE YEAR:**  
Information Communication Technology (ICT)



**CUSTOMER SERVICE EMPLOYEE OF THE YEAR:**  
Southern Cluster — Margret Pofadder



**CEO'S AWARD OF EXCELLENCE:**  
Bethold Kauripeke



**EMPLOYEE OF THE YEAR:**  
Afeus Toivo



**BRAND CHAMPIONS:**  
Samson Ajagbe, Eulandie Kamwi, Trevor Muituti

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# In Pictures

## Valentine's Day at RFA

The atmosphere at the RFA was filled with love and affection as employees joined the rest of the world in celebrating the day of love, Valentine's Day. It was indeed a rosy affair of joy and laughter as colleagues exchanged Valentine's Day treats.



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# In Pictures

## Independence Celebrations

The RFA joined in the festivities to celebrate Namibia's 32 years of independence, peace and stability at its Head Office on 18 March 2022. The traditional couture captured the essence of the day as RFA employees embraced the rich cultural diversity of Namibia.

