



24 May 2016

## **PRESS RELEASE**

### **Construction Industry Anxious About Water Crisis**

Significant focus is on the construction industry regarding the water crisis in Windhoek. It must be recognised that this industry is dependent on the supply of water and activities are determined by the locality of projects. In the central region, numerous civil and building projects are underway. These cannot be halted without taking into consideration the potential of significant backlash and costs of legal actions. It would be important that these projects would be completed.

However, if there was to be a deliberate slowdown of building and construction projects, it is a key requirement that NAMIBIAN companies will be given the work to ensure their survival and employment in Namibia's construction sector. Most Namibian companies in Namibia's construction sector do not have the option at this stage to find alternative markets for their products and services. Only the largest contracting companies would have the capacity to do so. Instead, foreign companies operating in Namibia, would be in a better position to diversify their markets.

If Windhoek is to run out of water, which is a very distinct possibility, it will affect every business, but especially construction. The Construction Industries Federation of Namibia (CIF) continues raising awareness about the need to reduce the usage of water. However, it is critical that not only contingency plans from Namibian authorities will be implemented but that the government will speed up implementation of mid and long-term plans to increase supply of water.

Bärbel Kirchner, consulting general manager of the CIF says: " We had requested a meeting with Hon. Mr John Mutorwa, Minister of Agriculture, Water and Forestry. The industry needed to be informed about the gravity of the water crisis and how it potentially would impact operations in the building and construction sector.

“At the meeting we were informed about the current supply of water in the Khomas region, that existing resources would not be sufficient to meet the demand for residential and commercial users, unless all users immediately would reduce their consumption by 40 percent.

“However, irrespective of whether we are experiencing a drought or not, current sources are not aligned with the ongoing growth of demand over the years. The water crisis that has been looming for over 20 years, considering the growth of the city and central urban population and our desert climate.

“Managing demand is critical but even more important would be to focus on the supply side of water. It would require acute resource allocation by our government and must be an absolute priority”

Demand can be reduced by determining the locality of projects and not by stopping all building and construction work altogether. The construction sector is one of the largest employing sectors. It is estimated that 40,000 or more persons are employed in Windhoek alone. If projects were to be shut down as a result of water shortage, it would have catastrophic implications – it would lead to job losses and increase unemployment and poverty.