

Engineers demand answers over Ndola Limes dysfunctional kiln
By Darius Kapembwa on November 11, 2019

ENGINEERS in Zambia are demanding answers over the dysfunctional new kiln at the struggling Ndola Lime Company which cost US \$100 million borrowed money.

Ndola Lime, a wholly owned government company through ZCCM-IH, was established in 1931 with the purpose of supplying lime to the mines.

But with the passage of time, reduced production in the mines leading to privatisation, Ndola Limes business slowed down, the future was uncertain, and old equipment needed expansion, recapitalisation and refurbishment.

The company board in 2007 decided to do major recapitalisation of the plant which was only actualised around 2010-11 with an initial estimated cost of \$74 million but rose to over \$100 million due to delays in the project implementation.

However, the new kiln that was sourced from Italy has never functioned as it reportedly caught fire at commissioning stage due to wrong designs and mistakes in the implementation of the project which left engineers and several stakeholders in the country calling the project an engineering scandal that has cost the country millions of borrowed dollars.

Shockingly, a visit to Ndola Lime by The Mast revealed that the kiln needs more money for modification and to rectify the anomalies as recommended by the technical audit and experts from Austria who were engaged for a second opinion in 2017.

Further, according to management at Ndola Lime, it was claimed TERRUZZI FERCALX GROUP, the Italian company that supplied the kiln technology, went bankrupt after the project and changed into another company which means they cannot be recalled to come and explain why a wrongly designed kiln was supplied or rectify the problems which has further shocked stakeholders within government who fear to come out openly for fear of losing jobs.

The engineering manager at Ndola Lime Sydney Matamwandi, president of the Engineering Institution of Zambia (EIZ) who when asked if the loan or project was insured or had guarantees from the supplying company involved to take care of any such shortcomings, could not answer but referred questions to the shareholders.

Matamwandi explained the scope of the project had five components namely, two weighbridges, electricity substation, hydrator, and a coal storage facility all of which have been completed and functioning properly except for the kiln which was the biggest part of the whole project.

He claimed Ndola Lime management was not involved in the implementation of the project as it was operated on a turnkey basis which meant that the contracted companies had to build, commission, then hand over to the company.

What next is a very difficult question to answer. Remember that this is an expansion plan by the owners of the company, so at some point the commissioning couldn't go ahead. There was a fire and what is required is the repair of what was burnt, the modification of what didn't work well. It requires a budget and of course the details are a bit more, that has not been funded, Matamwandi said.

Asked who is going to fund the recommended modifications, he responded that can only be the owner of the company the government; these are not small monies

Asked further the whereabouts of the company that supplied the kiln, Matamwandi explained: As I said there is a project structure there are three components. There is a company that supplied the kiln, you can find them because at some point, they changed ownership, they became bankrupt, they created another company. They are the suppliers of the technology. Then there was a number of subcontractors doing work, mostly foreign, some are Zambian. Then the whole of this had a management team like project manager and managers to run, because this was a turnkey. When its done, its operated by Ndola Lime.

Asked further if the project involving such a huge amount of borrowed funds was not insured, Matamwandi replied: I prefer facts and not the opinion. Its not as simplified, everything, details and the like. You need audience with the shareholders. In terms of what went right and went wrong. Remember that I am engineering manager. I have worked here in a different role so all these up to the commissioning, it was an independent group doing that. Also there was another engineering manager.

According to a summary by an Austrian firm specialised in such works that was brought in in 2017 to give its opinion, certain objectives in the project were not fulfilled. Those findings were collaborated by Matamwandi.

In 2017, the shareholder thought of having a second opinion, so a specialised firm was called from Austria. They are experienced in these things and their summary was that certain objectives in this project were not fulfilled. Then on the technical side, some of the findings were that in certain areas, the technology selected was not appropriate hence the difficulties. The commissioning took one year, thats how kilns are commissioned. They try this, measure parameters, until it caught fire. The findings of independent technical auditors were that there were certain shortcomings in design but also shortcomings in implementation of the design and the exciting thing is that those findings were before the fire, he explained. So immediately after those findings, they were doing the report then there was the fire, trying to prove really that indeed there were shortcomings.

The new project was aimed at improved efficiency in the production of lime and reduced

cost of production, value addition but the findings of the technical committee did not prove that.

Matamwandi said a kiln was a basic technology and was sure that the current faulty kiln at Ndola Lime can be modified to make it work.

Facts are facts, what is not working is not working. I cant put it any other way. I have tried to avoid opinions, the project had certain design issues, implementation issues, objectives not met. That kiln can work, not just by switching it on, it requires money. Going forward is a business case. If the cost of modification is not justifiable, the owners have a right to decide, he said.

The parliamentary committee on government parastatals has visited the company to look at the scandal but committee chairperson Peter Daka, who is Msanzala PF member of parliament, when contacted said he has no authority to discuss the findings to the media although insiders disclosed that Dakas committee branded the issue scandalous.

Many dont believe the explanations from the company and demand the government must institute serious measures to recover the lost monies and the culprits be brought to book.

Others are demanding the release of the full technical report to the public as they claim that some members of the technical team are Mwatamwandis close friends in EIZ and are therefore sitting on the report.

But Matamwandi denies any involvement in the scandal as he was not in his position at the time but an employee within the company.