REPUBLIC OF NAMIBIA



STATEMENT

BY

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VICE PRESIDENT OF THE REPUBLIC OF NAMIBIA

AT THE OPENING OF THE CHAMBER OF MINES

MINING EXPO AND CONFERENCE

09 AUGUST 2024

WINDHOEK SHOW GROUNDS

Salutations

It is with great pleasure that I join you this morning for this significant occasion of the official opening of the 2024 Mining Expo and Conference which is held under the Theme: "Green Shoots for Namibia's Mining Industry: A Season of Opportunity and Growth to Drive Economic Expansion".

This event has truly become a cornerstone on the annual calendar of the Namibia Chamber of Mines and the broader business community in Namibia, attracting increasing participation locally, from SADC and beyond. I understand that the Mining Expo & Conference is aimed to showcase the mining industry to all stakeholders that includes the general public meaning our citizens who are the true owners of our natural resources. And we need to understand our mineral and how they can be mined.

It is equally important that, this event has brought together professionals from all facets of the industry, ranging from mining companies to service providers and suppliers, thus facilitating commercial opportunities and

the exchange of technical knowledge and innovations. By consolidating the entire mining industry in one location, this event will also serve to showcase skills and employment opportunities within the sector to the Namibian students and graduates, while also enhancing accessibility for the public and key stakeholders, to understand the industry better. The mining industry has become a flagship sector for Namibia, as the former minister of International Relations and Cooperation when I meet people abroad the first thing they ask is where are the diamonds. And as a former minister of Environment and tourism I kept emphasizing even today that Conservation and Mining should co exist in order to ensure sustainable development.

I am informed that the Chamber has developed a secret of making this yearly event FREE of charge to all visitors, when events of this nature could cost substantial entry fees, thus allowing many people to attend the 11th mining Expo, I commend the Chamber of Mines for that. It is my belief that the participants will make use of this opportunity for the event to meet its objective of

ensuring that the nation at large draws benefit from this industry.

Director of Ceremonies,

Mining and exploration continues to be the main contributors to our national economy, in terms of creating direct and indirect employment opportunities for Namibians. Moreover, the mining industry's contribution to the Government revenue saw a significant increase from N$4.4 billion in 2022 to N$6.8 billion in 2023.

Last week on Tuesday 30th July, I had an opportunity to engage with the EXCO of the Chamber of Mines. They shared so much of what the mining sector is doing and what opportunities lies in growing the contribution of mining to the socio-economic development of our country. The government would therefore work with the industry to ensure that its contribution to our economy is felt by Namibians and all who live in this country. Namibia is our country and its resources belong to us as Namibians and we must work together for shared balanced prosperity.

Beyond becoming a potential supplier of critical minerals, Namibia's immediate growth prospects in mining lie in the uranium and gold sub-sectors. In alignment with the clean energy transition, many countries have recognized nuclear power, as a sustainable and carbon-neutral base-load source of power and have begun to develop or expand their nuclear power capabilities. Currently, Namibia is ranked, as the world's third-largest producer of uranium, and this price improvement has accelerated the development plans for two advanced uranium projects, with many more likely to follow. Cognizant to that fact as your former Minister of International Relations and Cooperation I made it a point that we must follow the discussions on nuclear use for clean energy production and development.

As our country becomes a more prominent player in the supply of uranium, we should also consider how Namibia may stand to benefit from the downstream nuclear value chain activities, such as the application of different technologies in food production and medicine, as well as energy production. Energy is the key enabler for industrialization.

Director of Ceremonies,

It is important to recognize the opportunities that the development of an oil and gas sector brings to the fore, in particular that this sector can support import substitution within Namibia's mining sector.

Mining is one of the largest consumers of refined oil products, including diesel, petrol, and other fuels. These fuels are significant cost drivers, heavily influenced by global oil prices and international exchange rates. By completing the full value chain and refining our own oil, the mining industry and the Namibian economy at large stand to benefit from consuming domestically produced fuel and hopefully at a much lower cost.

The development of these industries and the new economic opportunities they present will undoubtedly help to create more employment opportunities for Namibians, particularly for our youth.

In our vision to create increased economic opportunities for our youth and the Namibian population at large, we

are actively engaged in discussions to finalize the Local Content Policy for the oil and gas sector. This policy aims to ensure that Namibians can benefit from every part of the value chain. By doing so, we are committed to maximizing the economic impact of our natural resources, fostering local expertise, and ensuring that the wealth generated from these industries contributes directly to the prosperity of our people. The value addition that we have committed to ourselves we mean it and we are asking our partners to understand our position and to collaborate with us as in a partnership each partner should benefit.

I am delighted to learn that the mining sector has made significant strides in advancing local content, particularly in the area of local procurement. The industry currently allocates a substantial portion of its total procurement budget, averaging between 60% per cent and 80% per cent, to local businesses and suppliers. However, there is always room for improvement, especially in the production of mining inputs. We believe there is a significant opportunity to deepen the mining value chain

in Namibia by producing our own inputs where it is economically viable.

I am glad to note that later in this programme, the "National Database of Mining Goods and Services" will be launched. This initiative aims to assist Namibian entrepreneurs in identifying commercial opportunities within the mining sector. We believe this project will be instrumental in achieving some of our national local content objectives in mining, fostering greater economic participation and growth for our local businesses.

In this regard, I call upon and encourage the responsible Government Ministries and departments, financial institutions including Development Banks, education institutions, and partners to provide the necessary support and assist young entrepreneurs to finance and develop their business proposals to enable them to benefit from the growing economic opportunities in the mining supply chain. It is a must that as a county we have to invest on education and training specifically for the mining, and oil and gas industries, to empower our people to take a lead for the benefit of all. I therefore, call on

strong cooperation between the industries and training institutions. We must have a targeted human capital development. In the same vein, I am calling on our graduates to also pay attention to these industries where they will be able to get jobs, and where re-skilling is possible to do so In order for our youth to get employment. Also we are calling on the partners to work the government to strengthen the TVET training institutions.

Director of Ceremonies,

Related to local content is the public discussion of ownership in the mining, and oil and gas as products. The issue of ownership of the natural resources is clear, as they belong to Namibians, naturally and constitutionally. What we need is a clear law that will protect that ownership and attract investments in Namibia's mining sector. Currently, technical engagements are underway to work on the law. Similarly, consultations with all stakeholders, in the finalization of that law is a must. Mining is a very important industry as it is critical to bring up our strategic industry, Agriculture.

In closing, I wish to emphasize that the mining industry is not a sunset industry, but is alive with opportunity for us to take advantage of by cultivating, and supporting continued investment into exploration, we increase the probability of discovering new mines and extend the Life of Mines at existing mines and thereby ensure this sector continues to grow. However, we must always keep it at the back of our mind that minerals are not a renewable resource, therefore we should be cognizant of what we are leaving behind for the next generation.

It is now my distinct honour to declare the 2024 Mining Expo & Conference officially opened and wish you successful deliberations for the next two days.

I thank you.