



# **“DOWNSTREAM BENEFICIATION: PROGRESS TO VAC”**

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# BACKGROUND



- Mining contributes significantly to the economy

The Joint Value Addition Committee (JVAC) was sanctioned by the Committee of Ministers as per NDP4 objectives and is constituted of:

- Ministry of Trade and Industry
- Ministry of Mines and Energy
- Ministry of Finance
- National Planning commission
- Chamber of Mines

# MANDATE OF JVAC



- JVAC tasked to develop a value addition strategy for NAMIBIA
- Determine which minerals have the highest potential for sustainable value addition locally.

# OBJECTIVE

- Limit the export of “raw” Namibian minerals;
- increase export revenue;
- create more job opportunities
- Diversify and stimulate economic growth.

# WHY?



- Government wants to enhance economic development and to diversify the economy;
- Government also recognizes that only limited beneficiation is taking place;
- Minerals endowment
- Already established value addition base (although limited) in the diamond, semi-precious and dimension stone sectors
- Namibia has a comparative advantage in terms of:
  - conducive investment climate
  - Regulatory frameworks in place
  - Export processing zones (EPZ's)

# TERMS OF REFERENCE OF JVAC



1. Determine a clear understanding of the value addition chain in the minerals industry, based on the mineral production in Namibia;
2. Investigate why Namibia has so far not attracted major investments in manufacturing industries based on mineral beneficiation/value addition;
3. Propose necessary measures for GRN to adopt in order to attract such investments;



4. Propose upstream value-addition, through the use of the relatively large resources sector market to develop the resource supply and inputs sector, such as capital goods, consumables, and services etc;

5. Draft Value Addition Strategy for Namibia and identify incentives to promote value addition locally.

# WORK IN PROGRESS



- The Committee engaged a international company knowledgeable in value addition produce a **technical study** that investigates the value chain analysis for the following metals/minerals:
  - Copper
  - Gold
  - Iron ore/steel
  - Diamonds
  - Lead
  - Uranium
  - Zinc



# WAY FORWARD



- Complete study
- Brief GRN
- Engage all relevant stakeholders

**THANK YOU!**