



SAIMM -SULPHUR AND SULPHURIC ACID CONFERENCE

**SPEECH PRESENTED BY MR. ZEBRA KASETE – PRESIDENT OF THE CHAMBER
OF MINES NAMIBIA, AT THE 7TH SULPHUR AND SULPHURIC ACID 2019
CONFERENCE, SWAKOPMUND, NAMIBIA**

11 MARCH, 2019

Distinguished guests,

Colleagues of the Chamber of Mines,

Ladies and Gentlemen.

Good morning,

Thank you for the introduction, Thys, and the opportunity to speak here today.

It feels good to be back home in Swakopmund, it is here where I started my career back in 1987. It is also here, where I found the love of my life, my beautiful wife Sylvia. Swakopmund also happens to be the birth town of all our children.

It is particularly exciting to be back in Swakopmund, I enjoy taking my morning walks along the beach nearby the sea, which I have done so religiously this morning. There is something magical about the sea. The beach life, I miss it at times.

I must congratulate the organizers for putting such a good program together.

Today, I would like to talk about how sulphuric acid can be a catalyst for industrial revolution in Namibia.

In his popular book Chemical Letters, the prominent German chemist Justus von Liebig (1803 to 1873) wrote:

“We can accurately assess the chemical industry of a country according to the amount of sulphuric acid it consumes.”

I could safely add that the sulphuric acid production can be used as a reasonable indicator of industrial strength of a nation.

Up to now, in Namibia, sulphuric acid is only associated with the mining industry therefore, I cannot talk about sulphuric acid without talking about the mining industry.

Let me start by sharing the significant role that the mining industry is playing in Namibia.

The mining industry in Namibia contributes approximately 50% of the country's export revenue and constitutes 12% of GDP.

The industry-generated revenue of N\$29 billion in 2017 of which approximately N\$11.76 billion (41%) was spent on goods and services procured from Namibian based suppliers. The local spend expenditure demonstrates the industry's commitment to support local suppliers.

The Chamber of Mines of Namibia believes that it is doable in the short term to increase the local spend from forty one percent (41%) to fifty percent (50%) of the revenue.

I believe local procurement is one avenue where the previously historically disadvantaged Namibians can participate in a meaningful way in the economic activities of the country.

The Chamber plans to enhance local procurement by identifying all mining inputs, consumables and supplies through the establishment of a database, which will capture such information and enable Namibian entities, new or existing, to identify business opportunities in the supply chain for the mining industry.

I have spoken about the local procurement as an enabler for economic transformation of the industry. In fact, this is in line with the African Mining Vision, which has identified local procurement of goods and services to contribute to broad-based growth and development of its member states.

Now, I would like to briefly touch on how sulphuric acid can contribute to industrialization in Namibia.

First, I accept from the on-set that we as miners are not manufactures, and we are not skilled on the same.

However, the acid producers have a key role to play in sparking the industrial revolution in Namibia.

Already, the production of sulphuric acid in Namibia has contributed to the upgrade of the country's railway line. You will hear more about this in one of the presentations from the Dundee Precious Metals Tsumeb team.

In addition, it has contributed to increase bulk transportation of chemicals, which comes with additional services and skills.

In my previous life I used to travel the world to find sulphuric acid for my previous employer, thus I would assume local production of sulphuric acid has reduced costs by cutting sea transportation costs.

The last point I want to raise this morning, which might be controversial is, that sulphuric acid producers' role in **food security** in Namibia.

Let me provide context for the food production situation in Namibia.

About 70 percent of our population is dependent directly or indirectly on agriculture in terms of food, income and livelihood.

The Governor of the Bank of Namibia, Mr. Iipumbu Shiimi in 2017 at Symposium on *Agricultural Productivity and Industrialization*, made the following observation and I quote:

"Namibia's current population of 2.28 million is projected to increase to 2.96 million in 2030, which is an increase of 30 percent.

The share of the population living in urban areas is projected to increase from 47 percent in 2015 to 67 percent in 2041.

When these dynamics are contrasted to food security in Namibia, it becomes clear that we have a challenge on our hands.

There is a high reliance on imports of agricultural products. Namibia imports about 60 percent of its food requirements", unquote.

With these realities at hand how can the sulphuric acid producers assist?

We, sulphuric acid producers must change our mindset in believing that our only market is the mining industry.

Other metal or mineral producers create markets, a good example here is the diamond industry. The diamond industry goes out of its way and work with customers to create the needs for its product.

I would like to urge, that sulphuric acid producers must learn from the diamond industry and consider doing the same.

In particular, I would like to encourage everyone, to create opportunities for the fertilizer industry and other chemical industries, which need sulphuric acid in food processing.

If Namibia start producing her own fertilizers, it will increase productivity in agriculture and reduce dependency on imports.

Instead of us looking for access markets for excess sulphuric acids, we must create the market locally.

In the same vein, I want to request our Government to develop policies, which encourages collaboration with agriculture and mining sectors.

The increase in sulphuric acid consumption will contribute to industry revolution as envisaged in national development policies.

Thank you for listening and I wish you successful deliberation over the next two days.

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