

PUBLIC DISCUSSION

THEME - OPTIMIZING ECONOMIC RETURNS : THE ROLE OF CRITICAL MINERALS


WEDNESDAY, 22 MAY 2024



ECONOMIC ASSOCIATION OF NAMIBIA

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INTRODUCTION

MR. LAMECK ODADA - MASTER OF CEREMONIES

Lamek Odada, a lecturer at the Namibia University of Science and Technology in the Department of Economics, Accounting, and Finance, served as the master of ceremonies at the EAN Public Discussion. He welcomed everyone to the event, encouraged meaningful and enjoyable engagement, and expressed appreciation for their attendance. He outlined the program, emphasizing the goal of constructive discussion. Odada then provided a brief overview of the Economic Association of Namibia (EAN), describing it as a Namibian think tank that conducted research and provided public policy advisory services.

OPTIMIZATION OF ECONOMIC RETURNS THROUGH
THE ROLE OF CRITICAL MINERALS.

The EAN organizes public discussion forums to inform and stimulate debate on current issues, aiming to highlight economic topics and craft potential solutions. The public discussion, held in partnership with FNB Namibia and the Hans Seidel Foundation, with the Brief as the media partner, focused on optimizing economic returns through the role of critical minerals. Overall, there was an expectation that the event would feature great deliberations.

WELCOMING REMARKS

MR JASON KASUTO - CHAIRPERSON OF THE EAN

Mr. Kasuto acknowledged the honorable Minister of Mines and Energy, Honorable Tom Alweendo; the Hans Seidel Foundation representative, Dr. Clemens von Doderer; the CEO of the Economic Association of Namibia, Cons Karamata; fellow board members; and the distinguished panel of speakers and experts. He highlighted a notable fact from the latest global risk report by the World Economic Forum, which identified societal polarization as one of the top three global risks, closely interconnected with economic downturns. The report emphasized that the most influential risk over the next two years was the surge of misinformation and disinformation, especially significant during election periods. Reflecting on the impact of consecutive negative growth and COVID-19, he stressed the importance of each individual's role in mitigating these risks and promoting meaningful, inclusive growth.

He noted the Economic Association of Namibia's efforts in addressing misinformation, disinformation, and the lack of information, highlighting the importance of closing this divide to propel economic development and prevent economic downturns or societal polarization.

The event was described as a platform for addressing these issues, honored by the presence of the knowledgeable panel and the esteemed Minister Alweendo, the first Namibian Governor of the Bank of Namibia in 1997. In conclusion, Mr. Kasuto encouraged the attendees to absorb, process, and engage with the discussions, aiming to leave more mentally stimulated and ready to contribute to Namibia's sustainable and inclusive growth.

THE GLOBAL RISKS REPORT AVAILABLE AT :

<https://www.weforum.org/publications/global-risks-report-2024/>

PRESENTATION

MS ZENZI AWASES : MANAGING PRINCIPAL DIRECTOR
EMPOWERMINE CONSULTING SERVICES

In her opening, Ms Awases highlighted that Namibia currently stands at the cusp of a new era, driven by innovation, and placing raw materials at the forefront of societal advancement. At the heart of this discourse lay the critical challenge of global warming. There is therefore a need to find a balance between meeting human needs and protecting the planet for future generations.

ENERGY TRANSITION AND ITS CHALLENGES

Ms. Awases emphasized energy transition as a solution to global warming but noted that it presented unique challenges. She highlighted the current geographic imbalance where minerals crucial for the energy transition, like lithium and cobalt, were found in developing countries like Namibia. These minerals played a vital role in shaping the green energy future, powering electric vehicles and clean energy technologies in the global north, while the environmental and social impacts fell on the global south. This imbalance presented both a challenge and an opportunity.

NAMIBIA'S POTENTIAL IN MINERAL DISCOVERIES

Namibia holds rich potential for mineral discoveries, despite being relatively unexplored. A recent study by Odikwa Geoservices found 1,679 occurrences of critical minerals in Namibia, but only a few are active mines. Namibia's potential is fueled by several factors:

- Namibia hosts favorable geological conditions for various deposit types that could host these minerals.
- Quality geoscientific data is readily available at the geological survey.

OPTIMIZING ECONOMIC RETURNS : THE ROLE OF CRITICAL MINERALS

- Namibia has a modern mining and transportation infrastructure, backed by clear mining laws.
- An active mining community exists, ready to expand our mineral inventory.

Namibia is strategically positioned as a key player in the global trade for critical minerals. She indicated that, however, economic growth in Namibia is overshadowed by challenges such as food and water scarcity, limited electricity access, and high unemployment rates. These issues resonate across the global south. While critical minerals hold significant economic potential, unlocking them demands a thoughtful approach that tackles these challenges through collaboration.

PRIORITIZING SUSTAINABILITY

Namibia needs to prioritize sustainability. Addressing fundamental issues around the social welfare of Namibia's people should come first, akin to Maslow's hierarchy of needs. Ensuring responsible development of these minerals required a focus both on environmental stewardship and social equity.

STRATEGIC RESOURCE MANAGEMENT

Namibia needs win-win partnerships, similar to the EU-Namibia partnership. Japan had shown interest in collaborating on research in Namibia. Countries in the global north had conducted extensive studies on Namibia's minerals and could share that knowledge. Such partnerships should be focused on transfer of innovative technologies, and lead to mutually beneficial relationships.

As the co-founder of the Women in Mining Association of Namibia, she emphasized the importance of female entrepreneurship. Studies have shown that to ensure gender equality and economic growth, we need to send more girls to school and employ more women. Recently, the focus has shifted to women entrepreneurs driving Africa's economies. Sub-Saharan Africa leads the world in female entrepreneurial activities. Female-led startups are proving to be profitable and driving social change.

CONCLUSION

In conclusion, she pointed out that optimizing economic returns from critical minerals is not just an economic strategy but a moral imperative. It was about harnessing our natural resources to uplift communities, empower future generations, and build a more sustainable and equitable world. Namibia should embark on this journey with the understanding that the goal is not merely to maximize profits, but to realize the full potential of these resources for our country and her people.



STUDY ON CRITICAL RAW MATERIALS AVAILABLE AT :

<https://futuremedianews.com.na/2024/04/10/breakthrough-study-on-critical-raw-materials-value-chains-in-namibia-launched/t>

KEYNOTE ADDRESS

HON. TOM ALWEENDO - MINISTER OF MINES AND ENERGY

In his opening remarks, Hon. Tom Alweendo expressed great humility and appreciation for presiding as the guest speaker at this pivotal event. He extended heartfelt gratitude to each of the organizers and sponsors for extending the invitation and providing him the opportunity to share his thoughts on a topic of utmost importance: the role of critical minerals in the energy transition.

The Significance of Critical Minerals

The significance of critical minerals in the context of the global energy transition was undeniable. The trajectory of the planet's future hinged upon the ability to transition from fossil fuel dependency to sustainable energy sources. However, this transition was not merely a matter of ideological conviction; it was an imperative dictated by the stark realities of climate change and environmental degradation. At the heart of this transition lay critical minerals – the unsung heroes of renewable energy infrastructure.

Navigating the Challenges of Transition

The complex terrain of the energy transition contained a myriad of challenges— economic, social, and environmental in nature. While the imperative of transitioning to renewable energy sources was clear, it was necessary to tread cautiously to ensure that no community was left behind in this journey towards sustainability. The concept of a "just transition" resonated deeply in this context, underscoring the obligation to safeguard the livelihoods of those whose lives were intertwined with fossil fuel industries.

Embracing Global Collaboration

Moreover, the transition to a renewable energy future necessitated a paradigm shift in the approach to global collaboration. Operating within the confines of national borders was no longer feasible; rather, it was essential to embrace a spirit of international cooperation and solidarity. Forging partnerships that transcended geopolitical divides and prioritized the common good of humanity and the planet was imperative.

Namibia's Role in the Global Landscape

Namibia, endowed with abundant reserves of critical minerals, occupied a unique position in this global landscape. The nation's mineral wealth represented not only a source of economic prosperity but also a beacon of hope for a sustainable future. However, it was recognized that with great wealth came great responsibility. Harnessing mineral resources responsibly was imperative, ensuring that their extraction and utilization contributed to the well-being of citizens and the preservation of the natural environment.

Investing in Sustainable Development

To this end, it was necessary to invest in sustainable development initiatives that prioritized the needs of both present and future generations. This entailed not only developing robust infrastructure and fostering innovation but also cultivating a culture of environmental stewardship and social responsibility. By investing in education, healthcare, and infrastructure, Namibia could lay the foundation for a prosperous and equitable society.

Harnessing the Power of Innovation

Furthermore, Namibia must harness the power of innovation to unlock the full potential of our mineral resources. From advanced extraction techniques to cutting-edge renewable energy technologies, innovation holds the key to unlocking new frontiers of possibility. By investing in research and development and fostering a culture of entrepreneurship, we can position Namibia as a global leader in sustainable development.

A Call to Action

In closing, Hon. Minister Tom Alweendo called upon each of the attendees and the nation at large to join hands in realizing a shared vision of a sustainable and prosperous future. He urged everyone to seize the opportunity presented by Namibia's mineral wealth to build a brighter tomorrow for generations to come. He extended his sincerest thanks to the organizers of the event for their tireless efforts in facilitating the dialogue and to all participants for their unwavering commitment to positive change.

PANEL DISCUSSION

Ms. Zenzi Awases - Managing Principal Director, Empowermine Consulting Services

Mr. Franco Labuschagne - Head Specialized Finance Lending, FNB Namibia

Ms. Lauren Graham - Chief Economist, Chamber of Mines of Namibia

Dr. John Steytler - CEO, Development Bank of Namibia

Dr. Gurvy Kavei - Lecturer, UNAM

DR. JOHN STEYTLER - CEO, DEVELOPMENT BANK OF NAMIBIA

Dr. Steytler echoed the sentiment on the importance of a favorable regulatory environment for attracting investments in Namibia's mineral sector. He emphasized the need for policies that strike a balance between incentivizing investment and ensuring socio-economic benefits for Namibia. Drawing parallels with global economic trends, he highlighted the success stories of countries like China and India, which prospered after embracing openness and liberalization. He stressed the significance of aligning Namibia's economic policies with its constitutional commitment to openness and mixed economy principles.

Expanding on his viewpoint, Dr. Steytler emphasized the historical context of regulatory frameworks and their impact on economic development, citing examples from other nations and illustrating how regulatory flexibility can attract foreign investment while safeguarding national interests. He advocated for interdisciplinary collaboration among policymakers, economists, environmentalists, and community representatives to develop holistic strategies that promote sustainable development and inclusive growth.

Furthermore, while highlighting the need for adaptive regulatory mechanisms that respond to evolving market dynamics and technological advancements. He stressed the importance of continuous evaluation and refinement of regulatory frameworks to maintain competitiveness and mitigate risks in the mineral sector. Additionally, he emphasized the role of public-private partnerships in fostering innovation, infrastructure development, and capacity-building initiatives. By leveraging the expertise and resources of both government and industry stakeholders, Namibia can create an enabling environment for responsible mineral extraction that maximizes socio-economic benefits and minimizes environmental impacts.

In conclusion, Dr Steytler's comprehensive perspective emphasized the interplay between regulatory policies, economic principles, and constitutional commitments in shaping Namibia's mineral governance framework. He called for a proactive and collaborative approach to address the complex challenges facing the sector, emphasizing the importance of transparency, accountability, and stakeholder engagement in achieving sustainable development goals.

DR. GURVY KAVEI - LECTURER, UNAM

Dr. Kaveh offered critical insights into the challenges facing Namibia's mining sector, particularly regarding the participation of Namibians in the industry. While commending the government's emphasis on beneficiation, he raised concerns about the effectiveness of current policies in ensuring meaningful participation and ownership for Namibians. Highlighting the phenomenon of Namibians trading their prospecting licenses to foreigners, he noted that this often results in limited benefits for the local population.

To address these issues, Dr. Kaveh proposed a paradigm shift towards institutional participation. He suggested that governmental bodies, regional councils, local authorities, and even traditional authorities should be granted equity shareholdings in mining ventures. By involving these institutions, wealth generated from mining activities could be more effectively distributed among individual Namibians, thus fostering greater economic empowerment and development.

He emphasized the importance of regulatory mechanisms to safeguard against exploitation and ensure that mining activities benefit the broader Namibian society. He called for increased transparency and accountability in the allocation of mining licenses and urged policymakers to prioritize the interests of local communities in decision-making processes. In addition to regulatory reforms, he stressed the need for targeted capacity-building initiatives to enhance the skills and capabilities of Namibians in the mining sector. He advocated for investment in education and training programs that equip local workers with the technical know-how required to participate meaningfully in all aspects of the mining value chain.

Overall, Dr. Kaveh's proposals centered on creating a more inclusive and equitable mining industry in Namibia, where the benefits of natural resource extraction are shared more fairly among all segments of society.



MS. LAUREN GRAHAM - CHIEF ECONOMIST, CHAMBER OF MINES OF NAMIBIA

Lauren Graham, reiterated the importance of proactive government policies in positioning Namibia's mineral industry within the global market. While highlighting the government's efforts to attract investment through Memoranda of Understanding (MoUs) and sustainable development initiatives, she cautioned that attracting investments is crucial. However, she stressed that it's equally important to ensure that such investments translate into tangible benefits for the Namibian economy.

To achieve this, she emphasized the need for holistic approaches that consider various factors beyond mere mineral extraction. She underlined the significance of skills development, local business participation, and environmental sustainability in conjunction with mineral extraction activities. By adopting such comprehensive strategies, Namibia can not only attract investments but also ensure that these investments lead to long-term socio-economic gains for its citizens. According to her, leveraging MoUs and strategic partnerships could play a pivotal role in establishing Namibia as a responsible supplier of critical minerals. By forging alliances with reputable partners and adhering to sustainable practices, Namibia can enhance its reputation in the global market while maximizing socio-economic benefits for its citizens.

In essence, her insights underscored the need for a balanced approach that prioritizes both investment attraction and socio-economic development in Namibia's mineral sector. By implementing proactive policies and fostering strategic partnerships, Namibia can harness its mineral resources to drive sustainable growth and prosperity for its people.



STRATEGIC PARTNERSHIPS

MR. FRANCO LABUSCHAGNE - HEAD SPECIALIZED FINANCE LENDING, FNB NAMIBIA

Mr. Labuschagne, delved into the complex dynamics of addressing social impacts in mining regions, emphasizing the paramount importance of ensuring the well-being of local communities. He articulated that achieving this requires a nuanced understanding of the multifaceted challenges and opportunities inherent in mining activities. Central to his argument was the concept of long-term sustainability in mining projects. He underscored the necessity of going beyond short-term monetary contributions and instead advocated for investments in comprehensive community development initiatives. By prioritizing initiatives that foster education, infrastructure development, and economic diversification, mining projects can leave a lasting positive impact on local communities.

One of the key strategies he highlighted was the implementation of "smart villages." These innovative models focus on creating sustainable and resilient communities by integrating advanced technology, sustainable practices, and community-driven development. Through smart village initiatives, mining companies can contribute to the holistic development of local areas, ensuring that benefits extend far beyond the lifespan of the mining project itself. Moreover, he emphasized the critical role of policymakers and industry stakeholders in driving meaningful change. He stressed the importance of robust community engagement processes that empower local residents to participate actively in decision-making processes. By involving communities in the planning, implementation, and monitoring of mining projects, stakeholders can ensure that initiatives are aligned with local needs and priorities.

The concept of social responsibility was highlighted as integral to the success and legitimacy of mining operations. He argued that mining companies have a moral obligation to prioritize the well-being of local communities and mitigate negative social impacts. This entails not only complying with regulatory requirements but also proactively seeking ways to enhance social welfare and promote sustainable development. In conclusion, his insights underscored the complexity of addressing social impacts in mining regions and the need for comprehensive, community-centric approaches. By prioritizing long-term sustainability, fostering community engagement, and embracing social responsibility, stakeholders can create mining projects that deliver meaningful benefits to local communities while upholding ethical standards and promoting shared prosperity.

MS. ZENZI AWASES - MANAGING PRINCIPAL DIRECTOR, EMPOWERMINE CONSULTING SERVICES

Zenzi Awases brought a rich historical perspective to the dialogue on mineral governance, offering insights that highlighted an intricate relationship between past resource exploitation practices and the multifaceted challenges confronting Namibia's mineral sector today. By drawing parallels between historical precedents and contemporary realities, Zenzi emphasized the importance of adopting informed and strategic approaches to harnessing mineral resources for the benefit of Namibia's socio-economic development.

Throughout the panel discussion, Zenzi reiterated the imperative of informed decision-making processes that consider the long-term implications of mineral extraction. She emphasized the need for a comprehensive strategy that not only maximizes the economic potential of Namibia's mineral wealth but also prioritizes equitable distribution and sustainable development. This approach, Zenzi argued, is essential for addressing longstanding concerns regarding the fair allocation of benefits derived from mineral resources. She further, advocated for inclusive policymaking mechanisms that actively engage stakeholders at all levels of society. By fostering dialogue and collaboration among government agencies, industry players, local communities, and civil society organizations, Namibia can develop policies that reflect diverse perspectives and prioritize the collective well-being of its citizens and navigate the complex geopolitical dynamics surrounding mineral governance and chart a path toward prosperity that is inclusive and sustainable. Her emphasis on education as a cornerstone of effective mineral governance resonated strongly throughout the discussion. She underscored the importance of empowering Namibians with the knowledge and skills needed to actively participate in decision-making processes related to mineral resources. By investing in education and fostering a culture of informed citizenship, Namibia can ensure that its citizens are equipped to advocate for their rights and interests in the context of mineral development.

Her contributions to the panel discussion underscored the multifaceted nature of mineral governance and the importance of adopting holistic approaches that prioritize sustainability, equity, and inclusivity. Her insights serve as a call to action for Namibia to embrace proactive and informed strategies that leverage its mineral wealth for the collective benefit of present and future generations.

CONCLUSION

The EAN Public Discussion provided a platform for robust dialogue and critical insights into the challenges and opportunities facing Namibia's mineral sector. The panellists and speakers offered diverse perspectives on key issues such as regulatory frameworks, community engagement, and the role of youth in shaping Namibia's future. They emphasized the need for comprehensive strategies that prioritize transparency, accountability, and inclusivity in mineral governance.



**MONITORING AND EVALUATING
POLICY IMPLEMENTATION TO
ENSURE EFFECTIVENESS AND
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