

MINISTRY OF MINES AND ENERGY

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GOVERNMENT 'S SUPPORT TO SMALL SCALE MINING

Government's Support to Small Scale Mining

- **Policy**
- **Legislation**
- **Government Structure**
- **Sysmin/SMAN/NSMAC**
- **Financial Support**
- **Uis Example**
- **Constraints**

1.0 Minerals Policy

- 1. Medium- to Large-Scale Mining**
- 2. Small Scale Mining**
- 3. Marine Exploration & Mining**
- 4. Value Addition**
- 5. Marketing & Investment Promotion**
- 6. Mining Industry and the Environment**

GOVERNMENT 'S SUPPORT TO SMALL SCALE MINING

1.0 Minerals Policy (Ctd.)

- 7. Human Resources**
- 8. Research, Development & Technology**
- 9. Governance of the Sector**
- 10. Regional Integration**

GOVERNMENT 'S SUPPORT TO SMALL SCALE MINING

1.1 Minerals Policy on SSM

- *Government will promote the further development of small-scale mining activities.*
- *Government will encourage that small-scale mining operations adhere to good environmental, health and safety standards.*

1.1 Minerals Policy on SSM (Ctd.)

- *Government will investigate the most cost effective and efficient methods for the claim registration system for small-scale miners.*
- *Government will continue to provide loans to viable small-scale mining projects through existing and future financial structures.*

1.1 Minerals Policy on SSM (Ctd.)

- *Government will ensure compliance by small-scale miners with environmentally acceptable mining practices through regular monitoring.*
- *Government, through relevant organisations and other institutions, will provide technical assistance and information to small-scale miners.*

1.0 Minerals Policy on SSM (Ctd.)

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1.1 Minerals Policy on SSM (Ctd.)

- *The Government will encourage the development of appropriate technologies for small-scale mining and provide skills training for small-scale miners.*

2.0 Legislation

- 1. Minerals (Prospecting & Mining) Act, 1992 (Act No. 33 of 1996)**
- 2. Diamond Act, 1999 (Act, No. 13 of 1999)**
- 3. Minerals Development Fund of Namibia Act, 1996 (Act No. 19 of 1996)**

2.1 Minerals Act of 1992

PRINCIPLES OF THE ACT

- Mineral Rights vested in the State
- Effective Exploration and Mining
- Security of Tenure
- Concern for the Environment

2.1.1 Mineral Licence Types

- Exclusive Reconnaissance Licence
- Exclusive Prospecting Licence
- Mining Licence
- Mineral Deposit Retention Licence
- Mining Claims

2.2 Diamond Act, 1999

Promulgated in October 1999,
effective from April 1, 2000

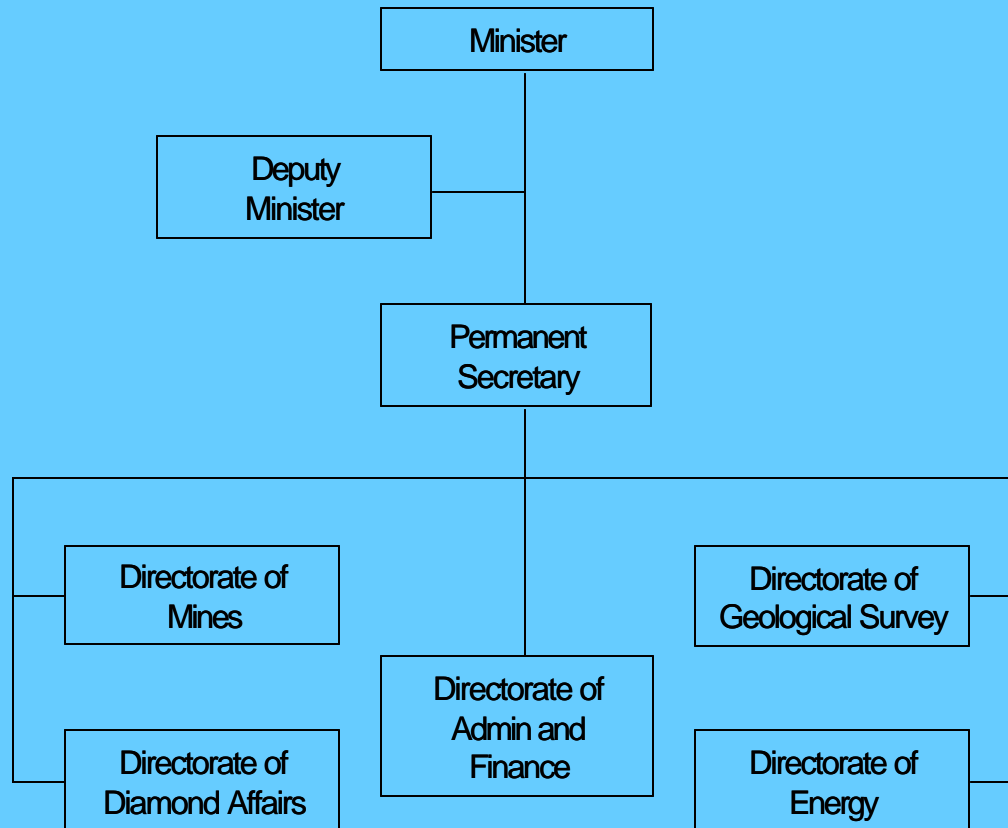
- Diamond Dealers Licence
- Diamond Cutting Licence
- Diamond Tool-making Licence
- Diamond Research Licence

2.3 Minerals Development Fund Act, 1996

- **Established as revolving Fund to provide financial assistance to largely small & medium scale mining**
- **Origin: Namibia received ECU 40 million SYSMIN funding from EU in 1994 to revitalize the mining industry.**
- **To ensure sustainability of original Sysmin funding to Namibia.**
- **SSM represented on the MDF Board of Trustees (President of SMAN)**

3.0 Organogram

The structure of the Ministry of Mines and Energy



GOVERNMENT'S SUPPORT TO SMALL SCALE MINING

3.1 Technical support through the Directorates of Mines & Geological Survey

Geophysical data

Geological Mapping

Archive exploration
reports

Archive geochemical

Modern laboratory
with XRD and XRF

GOVERNMENT 'S SUPPORT TO SMALL SCALE MINING

4.0 Sysmin / SMAN / NSMAC

- **Ministry helped establish the Small Miners Association of Namibia (SMAN) –SSM to speak with one voice**
- **Ministry established Small Miners Assistance Center (NSMAC) to provide additional technical services to SMM with Sysmin funding**
- **Funding to NSMAC is exhausted, Ministry now considering closure and incorporating functions to DM & GSN**

5.0 The Uis Example

- Uis Imkor Tin Mine was large scale mining operation, provided market for Uis small scale tin miners (Uis Tin Cappers)
- But big Imkor Tin Mine closed down in 1991, community was left stranded.
- Directorate of Mines moved in to establish a SSM tin cooperative and a 1.5 tph pilot plant was established with SIDA support.
- Based on encouraging exploration results, a new 15-20 tph plant tin & tantalite plant is planned to be established, will result in job creation and other benefits to an economically depressed area.

GOVERNMENT 'S SUPPORT TO SMALL SCALE MINING

5.0 The Uis Example (Ctd.)

- **The Uis SSM cooperative employed about 35 to 50 people, mostly women.**
- **MME then established the Small Miners of Uis (SMU), a company not for gain, to hold assets of the Cooperative and also enter into operating Agreements with Investors.**
- **SMU has been empowered with several mineral rights (EPLs and Claims), has several Agreements with foreign investors, current exploration efforts may result into a medium scale operations for tin & tantalum**

6.0 Constraints

SSM in Namibia faces several challenges & constraints:

- **SSM mainly centered on semi precious gemstones-very risky, & tin/tantalite.**
- **Less risky mineral deposits for SSM not yet discovered**