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The Permanent Secretary (PS) in the Ministry of Minerals, Energy and Water Resources (MMEWR) Boikobo Paya told the Botswana Resource Sector Conference on Tuesday that government is formulating a base metals and iron ore beneficiation strategy.

“Government has identified potential iron ore of seven billion tonnes and 646.6 million tonnes of copper and nickel,” he said, adding that some feasibility study on iron ore has been done to see the value of smelting and refinery, to generate more income from selling finished products.

He said the Ministry is willing to co-finance this project.

Paya assured that some strategic goals have been put in place to optimise the benefits. He said government coordination through this process is crucial and the private sector has been considered with shareholder consultation. Paya called for private sector involvement, to partner with the government to develop the area where the iron ore is found thus creating employment.

“Iron ore is located in the most remote areas of this country in the Ngamiland where water and power is a major concern. There is no infrastructure especially roads, and accommodation” he said.

Tsodilo Resources, which is located at Shakawe, is one of the identified local companies mining iron ore. They are expected to announce how much resources they have by end of their second quarter.

The current copper and nickel producer in the country includes BCL, African Copper, Discovery Metals and Tati Nickel. Prospective copper producers in the country include Gantsi based Khoemacau, which plans to apply for a mining licence before the end of the year. The proposed strategy is one of numerous government efforts to try and generate income from other minerals to diversify from diamonds, as its revenue is expected to dip significantly around the year 2022 when Jwaneng ‘jewel in the crown’ is due to convert from open pit to underground pit.

In February 2012 government launched the Coal Road Map, whose development unit was established in April the same year.

The PS revealed that the resource assessment study on the Coal Roadmap is ongoing and the signing of an agreement with Namibia for the Trans Kalahari Road (TKR) development has been done even though their operational office is behind schedule as it was expected to be set by end of June and has been postponed to July.

“There are also discussions on existing rail capacity building to handle 10-15mtpa to Matola/Maputo in Mozambique and another one on existing rail capacity building to handle 10Mtpa to Richards Bay in Durban,” he said.

Paya added that the ministry planned expanding the capacity on mines, rail and ports, as well as develop infrastructure.