

Namdeb buys local

Active support helps local businesses and enables transition to local suppliers.

Namdeb spends approximately N\$270 million per month on the procurement of goods and services from Namibian-based businesses. This constitutes approximately 85% its total expenditure.

The majority of the grandmaster of Namibian diamond mining's spend relates to earthmoving activities. This includes the supply of fuel for earthmoving equipment, the provision of services by mining contractors, and the supply of goods and services for the repairs and maintenance of earthmoving equipment, Anthony Phillips, Namdeb's Commercial Manager, said.

"The most notable of this spend is on the mining services provided by our two strategic mining contractors, Lewcor Plant Hire Oranjemund and B&E International (Namibia). Both companies are Namibian-based businesses that have Namibian ownership, of which Lewcor is a 100% Namibian-owned family business," he added. According to Phillips, these strategic business partners employ a direct workforce of approximately 776 employees, who are 99% Namibian citizens, for their operations at Namdeb's southern coastal mines.

"These companies significantly contribute to livelihoods in the Oranjemund town through the construction of accommodation for some of their staff and their local spend in the town and the region," the mining giant's commercial manager said.

"Namdeb is pleased to note that the majority of its skills and competencies are derived from the Namibian soil, with minimal specialised skills from beyond our borders. Initiatives are in place to develop in-house capacity for certain specialised services," Phillips noted.

"Namdeb has also managed to influence the establishment of Namibian service providers for repairs and maintenance," he added with pride. A large number of companies have been suppliers of Namdeb since its establishment in 1994, and it would be unfair to list only a few among the longest servicing, he said.

Bigger-picture approach

He demonstrated Namdeb's bigger-picture approach by zooming in on the diamond miner's success in diversifying the local economy. As an example that shows the company's commitment to supporting the local economy and positively contributing towards the social impact, Namdeb started procuring bulk fuel through Lüderitz and Walvis Bay in 2022, as an alternative to the previous practice of getting supplied from South Africa, he explained.

"The change was implemented successfully after various engagements with our strategic business partner, Vivo Energy Namibia, and other key stakeholders," Phillips said.

"Numerous benefits were derived from

❖ 85% of total expenditure goes to Namibia



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procuring locally, which include quicker logistical turn-around times and reduced cost for transporting fuel. Consequently, the decision positively impacted the local economy by creating employment opportunities for locals by relocating the transporter's fuel operations to Rosh Pinah and Lüderitz," he elaborated.

According to him, Namdeb has managed to influence the sourcing of goods and services that were previously supplied by South African companies by the establishing of Namibian companies due to its long-term plan. "This includes the supply of certain

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**Anthony Phillips
Namdeb Commercial Manager**

specialised goods and services."

In terms of helping the 'little guy', Namdeb focuses on obtaining goods and services that can be supplied by small- and medium-sized enterprises (SMEs), mainly from suppliers based in Oranjemund and the // Karas Region, the commercial manager said. "These supplies mostly include the provision of construction, repairs and maintenance." Namdeb supports more than 200 regular suppliers. Its standard practice is primarily to conduct public enquiries that are published on various publicly available platforms to provide a fair and transparent opportunity for new Namibian suppliers.



Anthony Phillips, Namdeb Commercial Manager, says the diamond miner supports small- and medium-sized enterprises, particularly in Oranjemund.

PHOTO: NAMDEB

"We develop opportunities for new local suppliers by investing in the OMDIS Town Transformation Agency, a special vehicle established by Namdeb to drive economic transformation in conjunction with the Oranjemund town council and other stakeholders. OMDIS focuses on entrepreneurship and SME development

by providing support to existing and new business through various programmes," Phillips explained.

Some SMEs that have completed the programmes with OMDIS have been added to the Namdeb supplier database and are currently providing goods and services to Namdeb, he said.

Ethical and responsible sourcing

According to Phillips, Namdeb prides itself on doing business with entities that conduct themselves ethically and responsibly.

"We expect our suppliers to be compliant with applicable Namibian laws and regulations, Namdeb policies, as well as meet site specific requirements and other supply conditions. We expect suppliers to align with our belief that is our responsibility to protect the safety and health of their workforce; protect the environment; respect labour and human rights; contribute to thriving communities; and conduct business fairly and with integrity," he said.

Namdeb's long-term plan was officially approved by the board of directors in October 2021, yielding a 20-year life-of-mine extension. The initial implementation phase of the long-term plan involves a production ramp-up during to the first two years of the 20-year life of mine.

A five-year, 5% royalty remission was agreed to by government in 2021, enabling re-investment in new equipment and infrastructure projects.

Namdeb considers this a key contribution the Namibian government has made, as a shareholder, to ensure the extension of operations to 2042.



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