

BUSINESS

# NMP sinks N\$1b in phosphate push

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... as license judgement is set for 2021

**By Hilary Mare**

EMERGING marine phosphate miner Namibian Marine Phosphate (NMP) COO, Mike Woodborne has revealed that the company has so far spent nearly N\$1 billion on the project's studies and technical work.

With prospecting and exploration activity on the project having started in 2008, Woodborne last week stated that the company's shareholders continue to support the business case of the operation.

NMP awaits court judgment on an environmental license that will allow the firm to development of the first marine phosphate mining project in Namibia, called the Sandpiper marine phosphate project.

**Confidente** understands that a review application launched by the Confederation of Namibian Fisheries Associations and three other applicants was heard in the High Court on July 7.

Following this, CEO Chris Jordinson says the judge has eight months to deliver his judgment, by March next year, but hopes that it will be handed down sooner.

The company had undertaken an environmental-impact assessment (EIA) in 2012, as well as a comprehensive EIA verification study in 2014.

The EIA was further supplemented by public consultation and reviews, which were completed in December 2018, and by recommendations from external consultants appointed by the Environmental Commissioner. ^

The external consultants had made five key recommendations to the commissioner, including a call for certain supplementary environmental information necessary to consider in the commissioner's award of an Environmental Clearance Certificate (ECC) to NMP.

NMP has spent the last nine months completing and submitting the recommended supplementary environmental studies and relevant information for the commissioner's consideration.

Eighteen public and stakeholder consultations have been held related to the project's environmental factors, coupled with three independent external reviews and four independent peer reviews.

Should the court judgment give the go-ahead for the Sandpiper project to proceed, Jordinson expects it will take a year to get land permits in place around Walvis Bay, following which construction will start, taking a further 24 months.

It will effectively take three years of preparation and development before production will start. The project's feasibility study states that the production rate will be three-million tonnes a year of saleable rock phosphate over a 20-year mine life.

The start-up capital costs and working capital are estimated at about US\$400 million

Jordinson says all the additional studies and information enhances the findings put forward in the original EIA, indicating that the nature and scale of the proposed dredging operations will have no significant impact on the commercial fishing industry or the marine environment.

"The Sandpiper marine phosphate project will not kill the fishing industry as claimed by various individuals and organisations, but it can in fact co-exist with the fishing industry, just as the fishing industry co-exists with marine diamond mining operations."

The project is situated about 60 km off the coast of Namibia, covering a 7 000 km<sup>2</sup> area, in water depths of between 180m and 300m.

The deposits identified by NMP occur as unconsolidated sea floor sediments, which lie within reach and capability of dredging technology. The total measured and indicated resource of the project is 227 million tonnes, grading 19.7percent phosphorus pentoxide.

Many fishing industry workers have been protesting against marine phosphate mining in Namibia, urging government to not grant prospective miners an ECC. The workers are represented by the National Union of Namibian Workers and the Trade Union Congress of Namibia.

There are about 16 000 workers in the fishing industry and concerns are that seabed mining for phosphates will inflict irreversible damage to Namibia's lucrative fishing industry. However, NMP says environmental studies have proven that the seabed mining proposed by the company poses no threat to the environment or marine life.

“The fishing industry is an enigma for us. A lot of the pushback we have faced is more based on emotive aspects. We are dealing with a massive body of misinformation; and the power of social media and the propensity of information that is not fact-checked drives a lot of resistance to the project,” says Jordinson. ^

Despite having one of the largest known phosphate resources in the world at more than four-billion tons, Namibia still imports the majority of the fertiliser products needed to underpin its agricultural industry.

NMP says establishing a fertiliser industry would enable an increase of in-country agricultural productivity, helping to improve food security, and also resulting in Namibia becoming an exporter of phosphate and fertiliser.

NMP engaged more than 30 international consultancies on the project, with 28 specialist studies conducted in total.

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