



Judgment on phosphate licence next month

Shareholders claim they have invested more than N\$780 million in NMP and the Sandpiper project, while an annual revenue of N\$4.2 billion is expected from it.

[Submit a response](#)

25 March 2021 | [Justice](#)

ELLANIE SMIT

WINDHOEK

Namibian Marine Phosphate (NMP) will have to wait until 12 April find out what the court ruling is with regard to the validity of its mining licence for the Sandpiper marine phosphate project near Walvis Bay.

The High Court on 8 March postponed the delivery of the judgment in the application launched by the Confederation of Namibian Fishing Association and three other parties, challenging the legitimacy of NMP's limited mining licence.

In a statement, NMP management said with one of the world's largest underdeveloped phosphate resources, establishing a phosphate-based industry could position Namibia to meet the future global demand for phosphate to fuel the electric vehicle (EV) battery market.

"NMP would be only one company within a new phosphate-based industry and this new industry has the potential to contribute up to 9% to Namibia's gross domestic product and create over 50 000 direct and indirect jobs," it claimed.

NMP said, according to the Chamber of Mines, the size of Namibia's phosphate resource can support sustainable mining and related industries for more than 100 years.

Shift

NMP said the shift from coal and gas power to wind and solar power, in combination with the shift from combustion vehicles to EVs, is driving the new demand for minerals.

"Phosphate is a key component in LFP batteries, which are required for electronic vehicles. The use of phosphates is also expected to lessen the use of cobalt and, therefore, reduce both the cost and environmental concerns of LFP batteries."

Estimates indicate that EVs are expected to make up over half of all passenger vehicle sales by 2040, with many governments committing to support the production of EVs in a bid to decrease their dependency on oil and gas.

Protect the ocean

According to NMP, the environmental work it carried out has been described as “some of the best in the Benguela current system”, which has been put together by internationally reputable consultants independent from NMP.

“Supporting Namibia’s mandate to protect the ocean, NMP enlisted internationally renowned scientists to conduct 28 studies, costing over N\$28.7 million, and ensured all the experts have worked in some capacity on the Benguela coastal system.”

Shareholders claim they have invested more than N\$780 million in NMP and the Sandpiper project, while an annual revenue of N\$4.2 billion is expected from it.

NMP is majority-owned by Al Barwani, who has an 85% stake through his company Mawarid Mining LLC, while Namibian middleman Knowledge Katti owns 15% through Havana Investment. The Sandpiper project is located about 120 kilometres southwest of Walvis Bay.

Following widespread controversy, the environmental clearance certificate for the project was set aside in 2018 by the environment ministry.