

THE PROJECTS

Magazine P30.00
Issue 6 Vol. 2 | Nov-Dec 2022

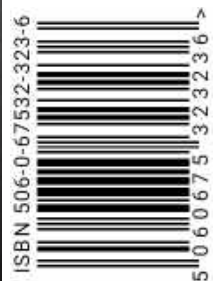
P900 million F/Town fuel depot project takes off

Jwaneng Mine Expansion Projects beyond 2050

AFREXIMBANK P20 Billion economic package for Botswana

DRIVING THE P3 BILLION AMBITION

MCM new strategy sets ambitious production and revenue targets



New qualification Alert

Jump Up the Procurement Profession Ladder with the IDM new learning programme

BSC SUPPLY CHAIN MANAGEMENT



This is a four year qualification offering a plethora of innovative and relevant modules. Some of the exciting modules include the following:

- Negotiation in Supply Chain
- Supplier Selection and Procurement
- Introduction to Contract Management
- Warehousing and Distribution
- Sustainable Procurement
- ICDL – Online Essentials
- Purchasing Performance Management
- Supplier Relationship and Contract Management
- Strategic Procurement
- Entrepreneurship and Innovation (I)
- Industrial Attachment
- Research Methods
- Operations Management
- Corporate Governance
- Corporate Strategy

PRACTICUM

All BSc in Supply Chain Management learners must complete the practicum. The course accumulates a total of 30 credits. The student should spend twelve (12) weeks in the practicum area.

The practicum shall take the form of a field work, integrating theory and practice. Participants will be placed at various institutions and industries, for the in service students it will be done at their respective work areas

MODE OF ATTENDANCE:

- Fulltime classes: classroom based teaching during the weekdays (Monday to Friday) –
- Part time (evening) classes: the evening classes are conducted during the weekdays (Monday to Friday) from 1730hrs to 2030hrs
- Block release: These classes are scheduled to meet at least every 6th week – duration

PROGRAMME COMMENCEMENT: 30TH JANUARY 2023

Entry Requirements:

To be considered for this course participants must have at least one of the following qualifications:

- O' levels or equivalent which must include a pass in English.
- Foundation Certificate in Purchasing and Materials Management or equivalent
- Recognition of Prior Learning

Location: IDM Gaborone

Duration: 4 years, depending on level of entry

Fees: Flexible pay available: for estimates for the levels you've applied for, get in touch with the finance department.

WHY ENROL FOR THE BSC SUPPLY CHAIN MANAGEMENT AT IDM

Having created its specialized faculty more than 25 years ago, the Institute of Development is one of the leading providers of procurement education in the SADC market. A large majority of the procurement specialists in Botswana, Lesotho, and Eswatini have attended IDM classes at one stage of their professional lives. The Procurement Center of Excellence is something we pride ourselves with. We keep on innovating for the betterment of the procurement profession in Botswana and beyond.

INTRODUCING THE NEW QUALIFICATION

This is a need based programme tailored to the specific conditions of the SADC region geographically and economically. The newly accredited BSc in Supply Chain Management is unique in its content and most importantly offers a future facing and integrated business education covering the main disciplines and operational areas of business, whilst focusing on supporting students to develop the skills and competencies required in a contemporary and future labour market.

The overarching philosophy of our newly designed degree is to support and enhance progression, achievement and success, whilst challenging our students to become professional, aspirational and globally minded managers in a complex, dynamic economic environment. The course is a meaningful partnership between students, employers and the Institute of Development Management (IDM), with clear innovations in work-based learning, assessment for learning and teaching and learning initiatives.

Students with various exit certificates from the Chartered Institute of Procurement and Supply (CIPS) can articulate into the BSc in Supply Chain Management.

PROGRAMME STRUCTURE


**APPLICATIONS FOR JANUARY 2023 INTAKE NOW OPEN.
PLEASE CONTACT THE ADMISSIONS OFFICE BELOW:**

GABORONE OFFICE IDM ADMISSIONS OFFICE

PO Box 1357, Gaborone
Plot 21222, 21254 Mubuto Road, Village
TEL: [+267] 3612171/48/39 FAX: [+267] 3913296

FRANCISTOWN OFFICE IDM ADMISSIONS OFFICE

P/Bag 244, Francistown
Plot 6434, Botho Park Tati River Plots, Block 10
TEL: [+267] 2410300 FAX: [+267] 2410315

 @IDMBotswanacampus
 @InstituteofDev2
 @idm_botswana
 The Institute of Development Management

3 BEDROOMED NEWLY BUILT APARTMENTS AVAILABLE FOR RENT AT SPHALA ESTATE

Palapye Extension 7



PROPERTY	PROPERTY DESCRIPTION	UNIT AREA	RENTAL PRICE
1. Flat Type 3Beds	Spacious 3 bedrooms with master ensuite, fitted wall wardrobes, lounge with balcony space, Fitted modern kitchen with Rustenburg granite tops on wooden cabinets and ceramic wall tiles. Separate water closet & bathtub with hand wash basins. Ceramic tiled floors, plasterboard with ceiling, plastered and painted walls, IBR roof tiles, 100 litre hot water geysers and pre-installed LPG/electric stove connection points.	104.5 sqm	P4,200.00
AMENITIES	Flats located in a secure walled estate adjacent to A1 highway with perimeter lighting in close proximity to local amenities and accessed through 2 motorized gates, 2 guard houses with 24 hours security, refuse skip containers and dedicated parking bays with provision for disabled parking and clothesline for each flat. Common areas for kids playgrounds. Each block is installed with lighted stairwells, fire and heat alarm detectors, firefighting extinguishers, and horse reels in each floor.		

CONDITIONS OF RENT

1. Requirements

APPLICANT	DOCUMENTS TO BE SUBMITTED ON APPLICATION
INDIVIDUALS	<ul style="list-style-type: none"> i) Certified copies of Identity Cards (Omang) for both applicant and spouse, if married, and Certificates of Naturalization, if born outside Botswana. ii) Certified copies of Naturalization Certificate if born outside Botswana. iii) Spouse's written consent for married couples. iv) Certified copy of marriage certificate, if married or widowed, and/or copy of decree absolute, if divorced. v) Valid residence and work permit for non-citizens. vi) Current payslip and 6 months recent bank statements and those of their spouses for married couples. vii) ITC clearance certificate for the applicant (should not be more than 3 months old). viii) Affidavit declaring whether the applicant and/or spouse have purchased or are renting or have rented a BHC property before.
COMPANIES	<ul style="list-style-type: none"> i) Copy of company registration certificate certified by the Registrar of Companies. ii) Copies of share certificates and Identity Cards of shareholders certified by Registrar of Companies. iii) Certified copies of Certificates of Naturalization if shareholders were born outside Botswana. iv) Current payslip and 6 months recent bank statements of Directors. v) ITC clearance certificate of Directors. vi) Company resolution on renting of BHC property. vii) BURS Tax clearance.

NB: Parastatal organizations may submit their interest in writing.

2. Only citizens, citizen-controlled companies, Corporate bodies, Registered Societies shall be considered.
3. Applicants shall be treated on first come first served basis.
4. Applicants who are indebted to BHC will not be eligible for consideration.
5. Applicants are informed that they need to pass BHC vetting processes in order to be considered.
6. Application Forms shall be obtained and completed from All BHC Offices (EXCLUDING BHC HEAD OFFICE) together with documents referred to 1 above.
7. Only applicants who pass preliminary assessment will be required to pay non-refundable Administration Fee of P114.00 (VAT incl) and a service charge of P131.10 (VAT Incl) upon signing the lease agreement.
8. Applicants are informed that their applications shall be specifically for the project advertised and shall not hold for other projects being **rented** by BHC.
9. Notwithstanding anything contained in the foregoing, BHC is not bound to accept any application nor give any reason for not accepting the same.
10. Viewing of properties should be arranged with Messrs S. D Limbo, and K. Bagai at telephone No. 4921075 at Palapye Office (Estates Section). The Officers could also be contacted in case there is need for any clarification.



For more information please contact:

Limbo Selelo (+267) 72931272 Palapye office (+267) 4921075





PUBLISHER'S WELCOME NOTE

Hello reader.

Welcome to the penultimate edition of 2022. It has been an exciting journey so far, and The Projects Magazine continues to give a greater insight into what is happening in the economy, in particular our areas of focus.

This edition is headlined by Morupule Coal Mine corporate strategy for 2022-2027, in which we highlight key focus areas of the strategy. As previously reported, Morupule Coal Mine is a company that is coming out of its shell, to rigorously pursue opportunities in the global market. The demand in the global coal market has never been this huge, and MCM is positioning itself to capitalize on the opportunity.

Morupule Coal Mine, through its newly developed corporate strategy, targets to supply various markets with a cumulative total of 7.6 million tonnes of coal per annum by the year 2027. This will grow the mine's annual revenue to P3 billion from P1 billion which is expected soon in 2023.

MCM has responded to calls by government to come up with initiatives that empower citizens to take part in the economic activities in line with MCM business output. Ahead of strategy launch, MCM took a decision to establish a fully-fledged office for citizen economic empowerment.

MCM affirmed that it strongly believe that empowering Batswana to own businesses can help reduce the country's national import bill. The company plan to achieve 50 percent citizen spend supporting 3000 jobs by 2027, and its programme is similar to that of Debswana where partnerships and collaborations with key players such as commercial banks, Botswana Chamber of Mines (BCM), and United Nations Development Programme (UNDP) among others form key part of its CEEP.

The MCM strategy also seeks to address export market bottlenecks, operational efficiency, and human capital efficiency.

Edwin Elias, who joined MCM from Debswana in 2021 to take over the reins at MCM as General Manager – and now Chief Executive Officer – has been tasked with leading the ambitious transformation. Elias brings to MCM a wealth of experience spanning at least 20 years in the diamond mining industry of which he has served 13 years in the Executive Management of Debswana Diamond Company and the De Beers Group.

In this edition, we have also give you an insight into ongoing projects at Debswana Jwaneng Mine.

Jwaneng Mine, the world richest mine by value, owned and operated by Debswana will continue to anchor both Debswana and De Beers revenue, following investment in key projects; the Cut 9 project and underground project.

In the first half of 2017, Cut-8 delivered its first ore for Jwaneng, catapulting the mine to 'super-pit' status. Cut 8 will come to an end in 2029, according to Debswana, paving way for mining of ore to begin at Cut-9.

Cut 9, which is currently transitioning from outsourced contractor to in-house operation, will take Jwaneng to 2036.

Cut-9 project, which commenced in 2019 will reach its bottleneck in 2027, two years before the end of ore production at Cut 8. The Jwaneng Cut 9 Project will extend the life of the mine to 2035 with 80% plant ore feed expected from 2029. Currently mining of waste at Cut-9 is ongoing, with Naledi Mining Services, scheduled to take over the project in January 2023.

Meanwhile the underground development will commence in 2024 (development of tunnel/ mining of waste). Production of ore will start in 2030. Jwaneng Mine underground project came into being after it emerged that post Cut 9 business case evaluation paints a different picture which proves that no further open pit cutback be viable. This resulted in the future of Jwaneng mine being directed to underground alternatives.

It is clear that mining in Botswana will continue to play pivotal role in the economy of the country through jobs creation, contribution to the national coffers and other value chain economic activities.

These and many other exiting stories are contained in this edition.

Enjoy your read!

Rearabilwe Ramaphane

The Projects Magazine is a fully registered and licensed publication specializing in engineering, mining, construction, energy, property development, manufacturing.

We deliver the latest news, in-depth analysis and cutting edge technical content on the latest developments and landmark projects unfolding in these industries.

With our team of experts, professional contributors and talented writers -well trained in business reporting , media, economics, engineering and mining – we are the reference point and source of information on project management, specifications, cost, investments, funding and contribution to the economy.

We dissect and divulge on the socio-economic impact of these projects in the host communities, the country as whole, the region and the continent.

Through paid content, The Projects Magazine gives companies the platform to profile their contribution to the economy, CSI projects; skills transfer initiatives, company achievements, strategies, and landmark projects.

PUBLISHED BY:

Pr Grandeur (Pty) Ltd
Email: prgrandeur@outlook.com

PUBLISHER

Rearabilwe Ramaphane
Cell: +267 75525191

EDITOR

Alfred Masokola
Cell: +267 75985851

MAKERTING & ADVERTISING

projects@theprojectsbw.com

GRAPHIC DESIGN

First Creative Avenues
71422716/76304555





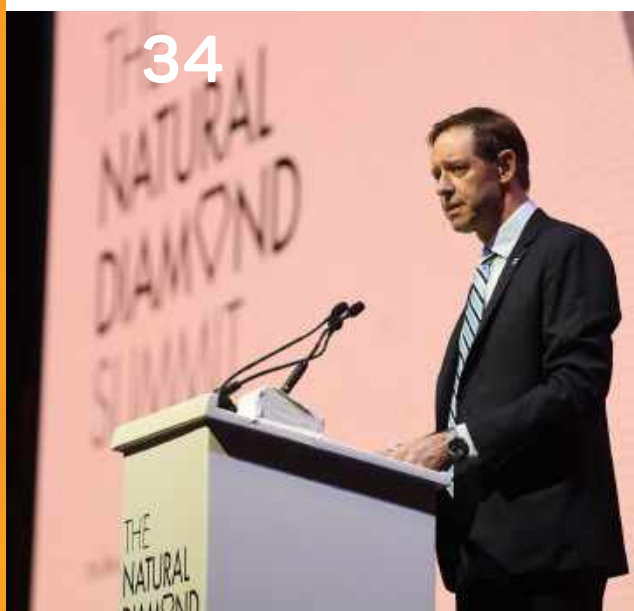
DRIVING THE P3 BILLION AMBITION

06



CONTENTS

- 12 JWANENG MINE PROJECTS EXTEND DEBSWANA FLAGSHIP BEYOND 2050
- 18 BOTSWANA OIL KEY STORAGE PROJECTS TO IMPROVE FUEL SECURITY
- 22 CONSTRUCTION OF P68 MILLION BOUTIQUE HOTEL TAKES OFF IN JWANENG
- 26 RETHINKING FUTURE OPERATION AND BUSINESS MODELS IN MINING
- 28 FEMALE BUSINESS LEADERS AND THE BOTTOM LINE
- 30 BUILDING CITIZEN OWNED COMPANIES AND DEMYSTIFYING DEBSWANA SUPPLY CHAIN
- 32 SHAFT SINKING CONTINUES AT KAROWE UNDERGROUND PROJECT
- 36 AFREXIMBANK ANNOUNCES P20 BILLION ECONOMIC PACKAGE FOR BOTSWANA
- 38 IRVINE'S BOTSWANA EXPANSION PROJECT MARKS P150 MILLION IN INVESTMENTS





"
We know that we have set bold and ambitious targets for ourselves, but our aim is to win, and win. I can assure you that our road to 2027 has started and no roadblock or pothole will be allowed to slow down our journey. We are focused; we are resolute, and we are committed to delivering on our promise,
"

Edwin Elias
Chief Executive Officer
Morupule Coal Mine

DRIVING THE P3 BILLION AMBITION

Morupule Coal Mine (MCM) is on course to be a P3 billion revenue generating company, with the newly launched 2022-2027 corporate strategy positioning the company to be a multi-product, globally competitive, low-cost operation of high-quality coal products with the agility to service diverse markets and customers.

Buoyed by the rising regional and international coal supply shortage, due to limited investments in new coal mines and continued demand for energy by Asian markets, particularly India and China, MCM has responded swiftly to the new developments by charting a path that will see the company increasing its production significantly, and capitalizing on the demand.

2022-2027 CORPORATE STRATEGY

On the 28th of October 2022, MCM launched its 2022-2027 corporate strategy, a five-year approach responding to new opportunities in the coal market. The new corporate strategy, signaled a new path that the Palapye-based coal mine is pursuing. Under the new strategy, MCM will increase its production to 7.6 million tonnes, and generate P3 billion in revenue.

"When Morupule Coal Mine was established back in 1973, then called Morupule Colliery, its primary mandate was to service BCL power plant and the Botswana Power Corporation (BPC). As it is, our core business was power generation, and it took us a while before we could entertain other market segments," said Dr Bonny Matshediso, MCM Board Chairman at the launch of the strategy.

He said the mine then started to service external coal markets, especially in the Southern African states like South Africa, Namibia and Zimbabwe.

"We have since observed a steady increase in demand for our product in the Asian market and lately in Europe. All these changes have necessitated that the company must change tact and refocus so that it can get maximum value of its productivity, hence the birth of the new strategy."

The watershed moment for MCM was a retreat exercise at Manong Lodge in 2021, where the company leadership converged with a view to review the current state of the mine's business as opposed to its new opportunities and challenges. The intention was to determine the potential of the mine and how to grow its value, and the decision to develop and adopt a new strategy was reached at the meeting.

"Our new direction is such that we must aim to win with one goal of being a multi-product, globally competitive, low-cost producer of high-quality coal products with the agility to service diverse markets and customers," said Dr Matshediso.

"Like dreamers everywhere in the world, we are deliberately ambitious, and we have set ourselves some targets which we are confident that we will meet, of course with the help and support of our stakeholders."

For MCM to win successfully on the new ambition, Dr Matshediso said, it must first establish itself as a global partner of choice in the coal mining transition by recalibrating and making the necessary adjustment to consolidate the luster of its appeal.

"We are targeting the global markets as a whole, over and above our current markets in Botswana, South Africa, Namibia and Zimbabwe. With our partners like Botswana Oil and Botswana International University of Science and Technology (BIUST), we will intensify our research development to come up with environmentally friendly and value additive innovations to make extensive use of our billions of tons in coal reserves which our country is endowed with," said the MCM board chairman.

HUMAN CAPITAL

The new strategy carries in it an expansive desire to target business success through dedicated human capital development initiatives that can enhance the company operational efficiency and prop up productivity. The company is looking at putting together a comprehensive and cohesive organisational culture that prides itself in collective success and fights together when chips are down. MCM will ensure that its marketing and sales team gels well with the mineral resource management team to jointly undertake market intelligence exercises that can yield into proper response to market demands.

CITIZEN ECONOMIC EMPOWERMENT

MCM has responded to calls by government to come up with initiatives that empower citizens to take part in the economic activities in line with MCM business output. Ahead of the strategy launch, MCM took a decision to establish a fully-fledged office for citizen economic empowerment led by former Debswana Supplier Development Manager Mr Resego Keipidile.

"We strongly believe that empowering Batswana to own businesses can help reduce our national import bill. We have a plan to achieve 50 percent citizen spend supporting 3000 jobs by 2027," said Dr Matshediso.

"We have a duty as a responsible company to make sure that Batswana are prioritized in access to the economic opportunities that may result from our operations, and we have full commitment in doing just that."

Morupule Coal Mine commits to leveraging its purchasing power and influence to achieve socio-economic development objectives through its Citizen Economic Empowerment Programme. Through the CEEP, MCM partners with other corporate organizations and the Government of Botswana will drive socio-economic transformation and growth. Core to the MCM CEEP is delivering on increasing the participation of Botswana citizen-owned Small, Micro to Medium Enterprises (SMMEs) in the MCM supply chain, which in the long-term, will de-risk and enhance the capacity and sustainability of the local supply base.

Understanding that socio-economic development problems are complex, the MCM CEEP looks to cultivating an ecosystem through engagement and collaboration with key stakeholders; ensuring that doing business for a citizen-owned business is made seamlessly easier within the local market.

With the goal of creating a shared citizen spend value of 50 percent and support 3 000 jobs by the year 2027, the MCM Citizen Economic Empowerment Programme since May 2022 has set out to collaborate across the socio-economic development value-chain locally and regionally.

MCM also has a partnership with Botswana Chamber of Mines to drive import substitution through promotion of local manufacturing, as well as a partnership with United Nations Development Programme (UNDP) on supplier development and capacity building. The company has also joined hands with the financial services sector, to unlock access to finance and capital for Morupule citizen suppliers, with a P3.05 billion pledge by commercial banks and financing institutions. Access Bank has pledged P1.2 billion, while Stanbic Bank, FNB and ABSA have each set aside P500 million, with TICANO coming in at P250 million. Bank Gaborone has come forth with P100 million.

EXPORT MARKET BOTTLENECKS



One of the bottlenecks that MCM has experienced in the export market is the fact that Botswana is a fully-landlocked country, which has hindered MCM's fluent play in the international markets. The logistics of getting MCM coal to the international markets have always been compromised, making it an expensive undertaking, much to the detriment of the company business efficiency. The new strategy allows MCM to identify and develop partnerships and alliances that can help MCM to build distribution and integrated channels for logistics and market access. This year MCM opened a new rail export route through Zimbabwe to Maputo port, transporting of over 40 wagons of coal every month since April.

OPERATIONAL EFFICIENCY

In its new strategy, operational efficiency is another factor MCM has considered as a matter of priority as they look into their capacity to deliver on their business expectations. The strategy, to ensure operational excellence, prioritizes adoption of digitalization and integration that would allow MCM to leverage on technology and enable quick decision making.

LEADING THE TRANSFORMATION



In August 2021, MCM announced the appointment of Mr. Edwin Elias as the General Manager, joining the coal miner from Debswana. Elias has since become the Chief Executive Officer of the company, following the adoption of a new organisational structure.

Farmed and nurtured at Debswana, Elias brings to MCM a wealth of experience spanning over 20 years in the diamond mining industry of which he has served 13 years in the Executive Management of Debswana Diamond Company and the DeBeers Group.

The time he joined MCM, he was the Group Head of Ore Processing/ Metallurgy at Debswana Diamond Company. He previously held various executive roles as Senior Manager- Ore Processing (Jwaneng Mine); Head of Maintenance and Process (De Beers Canada – Victor Mine); Senior Manager – Ore Processing (Orapa, Letlhakane and Damtshaa Mines).

Elias has served in several consultative forums within Debswana and the De Beers Group including as Chairman of the Debswana Job Evaluation Committee (Union/Management Forum). He is also a distinguished member of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), and the Institute of Directors in Southern Africa (IoDSA).

Throughout his career, he has acquired competency skills in different critical areas including Technical and Strategic Insights; Business Excellence; Safety Excellence; Business Planning and Assurance; Leading People and Change; People Development and Stakeholder Management.

He holds an Executive Master's Degree in Business Administration (EMBA) from the University of Toronto – Rotman School of Management, Canada; a Bachelor of Science(Bsc.)– Metallurgical Engineering from Missouri University of Science and Technology, USA and Emerging Leaders Program (ELP) Certification from the London Business School, UK.

Elias has been tasked with the responsibility of leading MCM in its bid to increase production and revenue. He has already delivered Motheo Project, a mine expansion project mainstay in increment of MCM coal production output.

"There has been great build-up towards the launch of this strategy which makes me feel confident that once we roll it out, a lot of motion would have taken traction to make it easy for us to sail through this new and uncharted path," said Elias at the launch of 2022-2027 corporate strategy.

"We have already started the delivery of over 60 000 tons out of 170 000 tons of coal destined for the seaborne market through Maputo as we March to meet our 2022/2027 coal tonnage output." Elias said MCM will marshal all its resources to ensure that this new strategy is fully resourced so that the company can meet its set targets and drive the business profile of the mine to much greater heights.

"We know that we have set bold and ambitious targets for ourselves, but our aim is to win, and win. I can assure you that our road to 2027 has started and no roadblock or pothole will be allowed to slow down our journey. We are focused; we are resolute, and we are committed to delivering on our promise," said Elias.

The MCM CEO said at the centre of the corporate strategy is the intent to make their people the primary drivers of their operational excellence, indicating that they have a plan in place whereby they want to capacitate their people in various aspects of the new ways of doing business.

"Our people are at the centre of our business, and we can only achieve on what we want if their efforts are recognized and facilitated to flourish. Our new strategy was developed under the theme "togetherness", and it is simply a rallying call to our staff and stakeholders that we must be in this thing together from the beginning to the end," he said.

MOTHEO PROJECT IMPACT

On the 28th of September 2022, President Mokgweetsi Masisi commissioned the Motheo Project, setting in motion the company's

plan to capitalize on coal supply shortage and to take advantage of premium prices caused by the shortage in the regional and seaborne markets particularly Asia.

Motheo Project's business case was founded on the backdrop of the rising regional and international coal supply shortage. The shortage is caused by the limited investments in new coal mines and continued demand for energy by the Asian markets, particularly India and China.

Motheo Project will increase the current Morupule Coal Mine production capacity from 2.8 million to 4.2 million tonnes of coal per annum. The project will increase MCM market share regionally, and allow MCM to enter new markets; Asia and Europe, and will also improve resource utilisation and realise potential asset value, and also reduce the risk of coal supply from a single underground coal mine.

Morupule Coal Mine, through its newly developed corporate strategy, targets to supply various markets with a cumulative total of 7.6 million tonnes of coal per annum by the year 2027. This will grow the mine's annual revenue to P3 billion from P1 billion which is expected soon in 2023.

"I am confident that if these ambitious targets can be delivered as expected, we surely are on the right path to unlock our coal potential; to meet our local energy needs and still supply global markets to fuel our economic growth," said President Masisi during commissioning.

Motheo Project created 3500 jobs during the construction of the basic or core infrastructure for the Opencast mining operations and the installation of equipment for the Coal Processing Plant. Of those jobs created during the peak of construction, 490 employees are still on the ground. As the project transitions into full operation, it is expected that it will create over 350 new and permanent jobs.



MCM STRATEGY LAUNCH



Fact Sheet

Duration of Strategy	2022 to 2027
Production Target	7.6 Million Tonnes per annum
Revenue Target	P3 Billion per annum

#1-3-27



Connecting you seamlessly

to Africa-China Trade & Opportunities

Africa China Trade Solutions (ACTS)
Import | Export | Travel | Digital Commodities

We link Botswana importers to Chinese exporters, providing an unrivalled competitive advantage for Africa-China trade. Our decades-long, strategic partnership with the world's largest bank, Industrial and Commercial Bank of China (ICBC) brings together ICBC's financial and global reach and Stanbic Bank's expertise and credentials in Africa.

Connect to growth opportunities through;

- Our strong relationships and resources in China through ICBC
- Access to reliable partners who can assist with sourcing suppliers, validating quality of goods and shipping logistics
- Find and connect to a variety of suppliers
- Assistance with navigating language and cultural barriers encountered in trade
- Assistance with navigating regulations and logistics

Contact us today for further details on how we can help.

Email: africachinabankingbw@stanbic.com Tel: +267 3987820 / 72802778
or visit our social media channels

**Africa China
Trade Solutions**

**#30YEARS
of POSSIBILITIES**

JWANENG MINE PROJECTS EXTEND DEBSWANA FLAGSHIP BEYOND 2050

- *Cut 9 project to reach bottleneck in 2027, production of ore to start in 2029*
- *Debswana has invested over 15 billion in Cut 9 mine expansion project*
- *Underground project commences in 2024 with mining of waste, tunnel development*
- *Underground project expected to cost over P65 billion*
- *Jwaneng contribution to Debswana revenue stands between 74 and 80 percent*

Pic - Bashi Kikia

Jwaneng Mine, the world richest mine by value, owned and operated by Debswana will continue to anchor both Debswana and De Beers revenue, following investment in key projects; the Cut 9 project and underground project.

In the first half of 2017, Cut-8 delivered its first ore for Jwaneng, catapulting the mine to 'super-pit' status. The cut 8 will come to an end in 2029, according to Debswana, paving way for mining of ore to begin at Cut-9.

Debswana, a 50-50 De Beers- Botswana Government joint venture has invested over P15 billion to catapult the mine life to 2035 with the Cut 9 project. Cut 9, is currently transitioning from outsourced contractor to in-house operation.

Cut-9 project, which commenced in 2019 will reach its bottleneck in 2027, two years before the end of ore production at Cut 8. The Jwaneng Cut 9 Project will extend the life of the mine to 2035 with 80% plant

ore feed expected from 2029. Currently stripping of waste at Cut-9 is ongoing, with Naledi Mining Services, scheduled to take over the project in January 2023.

Meanwhile the underground development will commence in 2024 (development of tunnel/mining of waste). Production of ore will start in 2030. Jwaneng Mine underground project came into being, after it emerged that post Cut 9 business case evaluation paints a different picture which proves that no further open pit cutback will yield a positive business case for the mine. This resulted in the future of Jwaneng Mine being directed to underground alternatives.

Debswana intends to develop a safe and viable underground mine to sustain production of diamonds after Cut 9 open pit operations. It will be developed based on the latest proven technology, global benchmarks and full adherence to sustainability imperatives. This includes the journey to carbon neutrality for the organisation.



*Koolatotse Koolatotse
Jwaneng Mine General Manager*

This operation, according to Debswana, will exploit resources at ever increasing depth, down to approximately 1000m below ground level, where significant diamond resources remain after Cut 9. It will use mass mining methods for the underground mine such as block-, sub-level and incline caving.

With the end of open pit operations, expected to be in 2032 when the current Cut 9 reaches its economic limit, the remaining diamond resources from the three kimberlite pipes (Centre, North and South) can sustain current production levels and further extend the Jwaneng mine life beyond 2050.

CONTRIBUTION OF JWANENG MINE

Jwaneng Mine, discovered in 1972, and started production in 1982, is the richest diamond mine in the world by value. The mine contributes between 74 percent and 80 percent of the overall Debswana revenue.

“It ranges between 74 percent and 80 percent because of the value of the diamonds that we mine. 40 percent of total De Beers production comes from Jwaneng. In total, Debswana diamonds represent 70 percent of the total De Beers production,” said Debswana Jwaneng Mine General Manager Koolatotse Koolatotse when giving the Jwaneng Mine business operations overview during a media tour recently.

Koolatotse said because of its 15 percent stake in De Beers, Botswana also earns revenue from De Beers production in South Africa, Namibia and Canada.

He indicated in its arrangement with De Beers, the Government of Botswana ultimately benefits 80.8 percent from Debswana diamonds revenue, while De Beers takes home only 19.2 percent.

He said this is due to Botswana’s 15 percent stake in De Beers, as well as revenue from royalties and tax.

NALEDI CUTS TEETH WITH JWANENG MINE CUT 9 PROJECT

Debswana is aiming to profit from its over 50 years of experience in mining by offering its service to mining companies beyond the borders of Botswana, including companies that are in the non-diamond mining industry.

Debswana will offer its services through its newly established subsidiary, Naledi Mining Services which was first introduced to the public in September at the company Business Seminar. Debswana Jwaneng Mine General Manager, Koolatotse recently said the decision by Debswana to establish Naledi Mining Services, was the best decision.

Naledi Mining Services' first task will be taking over the contract which was initially serviced by Majwe Mining from 2019, until termination in 2021.

In January 2021, Debswana, announced termination of the Majwe Mining Cut 9 contract. By the time of termination, the contract had run for 18 months since April 2019 and the initial contract duration was nine years being from 2019-2027 worth P15.7 billion.

Majwe is a joint venture between Australian Mining company- Thiess (70 per cent) and long-term local partner Bothakga Burrow Botswana (30 per cent)- which was expected to provide full scope mining services over nine years, including drill and on-bench services, mine planning, equipment maintenance, load and haul, and mining operations.

Koolatse said, when they realised as Debswana that the partnership with Majwe Mining was not the best way to go, a decision was taken to terminate the contract.

"Immediately when we terminated the contract, P3.6 billion went to the shareholders' pockets," Koolatse said when giving business overview during a Jwaneng Mine media tour.

The decision to cut ties with Majwe saw Debswana insourcing the services offered by the contractor, and ultimately resulted in the establishment of Naledi Mining Services.

Naledi Mining Services which will undertake the Jwaneng Cut 9 project from January 2023 and provide mining operations skills; these are machine operators, truck operators, shovel operators, supervisors, as well as earth moving equipment repairs and maintenance.

Naledi will initially have an employee population of about 750 people, with an annual turnover of P300 million.

Koolatse said Naledi Mining Services, which is a 100 % owned subsidiary of Debswana, will also be involved in offering mining services beyond the borders of Botswana, and in mining other minerals besides diamonds.

"Debswana specializes in mining diamonds in Botswana. However, because we are the benchmark, we have been visited by other countries, and after seeing what we do, they asked if we can help them to mine," Koolatse said

KK, as known in mining realm, said the request created opportunity for Naledi which unlike Debswana, it does not specialize but provide mining services, across all minerals including copper or platinum among others. "Naledi was the best decision for Debswana to make," said Koolatse.

He said the intention of Naledi is to accelerate the development of mining services in Botswana, by creating opportunities for citizens owned companies to offer their services to the company as subcontractors.

He said, in the past, contractors who were engaged by Debswana to offer mining services subcontracted other companies to provide certain services, such companies which were foreign as well.

However, with Naledi the opportunity will be given to citizen's companies as part of it Citizen Economic Empowerment Programme (CEEP). CEEP is an initiative aimed at repurposing Debswana supply chain and development of citizen participation in mining activities. The initiative will create and deliver shared citizen spend value of P20 billion and 20 000 jobs by 2024.

So far, since the commitment was made in 2019, Debswana has spent over P11 billion on citizen companies, with service such as drilling, tyre management, mine equipment leasing, and crushed rock being done by local companies.

ALIGNMENT OF TENDERS WITH OPERATIONAL AND CEEP REQUIREMENT

In 2019, Debswana announced its commitment to delivering shared citizen spend value of BWP20 billion and 20 000 jobs by 2024. The development has seen the diamond mining company shifting from international companies to local companies, coupled by capacity building and support systems that has ensured that local companies do not fail. Debswana has announced partnerships with local commercial banks to provide funding to Debswana suppliers and contractors.

Below are the services that are now provided by citizen companies:

Drilling	100% Citizen Contractor in Place
Crushed rock	100% Citizen Contractor in Place
Transport/Bussing	100% Citizen Contractor in Place
Hospitality	100% Citizen Contractor in Place
Security	100% Citizen Contractor in Place
Tyre Management	100% Citizen Contractor in Place
Mining Equipment leasing	100% Citizen Contractor in Place
Catering	100% Citizen Contractor in Place
Landscape	100% Citizen Contractor in Place
Camp Clinic	100% Citizen Contractor in Place
Explosives	Contract in place (CEEP Transition plans advanced)
OEM Contracts	100% Citizen Contractor in Place



Pic - Stoaan Rulaganyang

BOB

VIRTUAL STREAMING
SERVICES



7230-5555 



Pic - Botswana Oil

P900 MILLION FRANCISTOWN FUEL DEPOT EXPANSION PROJECT TAKES OFF

- Will expand the facility from current 35 million litres by additional 60 million litres
- Construction to run for 24 months (2 years)
- Civil & Building works awarded to Concor – Excavator Hire Joint venture

The much-awaited expansion of the Botswana Oil Francistown fuel depot has finally taken off. The project was officially kick-started by Ministry of Minerals and Energy leadership on Friday, 28 October 2022.

This project was conceptualized to expand the bulk petroleum storage depot at Francistown by 60 million liters to meet the Government Strategic Stock Cover of 60 days for petroleum products in the northeast consumption envelop.

The depot's current capacity is 35-million-liter storage. This storage facility is currently the country's largest fuel reserve, and is located in the second city targeting the North-eastern uptake of about 35% of national demand. It is strategically located for Matola-Zimbabwe route.

The Project entails construction of road loading and offloading gantries with other associated infrastructure developments and Construction of the tanks farm, rail



offloading facility and office building.

The project was suspended in 2017 due to funding challenges. Engineering, Procurement and Construction Management Service provider was later engaged to carry out the Design Review and Re-Design of the Suspended 2017 Project.

Procurement of Civil and Building Contractor started in 2022, resulting in appointment of Concor-EH JV. Mechanical and Electrical Works RFP currently under evaluation. Erection of tanks tender to follow soon after. As part of its strategy of ensuring security of supply on behalf of the Government, BOL is currently embarking on several strategic projects to increase fuel storages capacity in-country.

The expansion of the Francistown Depot, construction of the Tshele Hills Depot as well as construction of the Ghanzi Depot will see Botswana inch towards the realization of the Government's vision of fuel security for the country.

Acquisition of coastal storages in neighboring countries, which is also being progressed by BOL, will further contribute to the company's intent to safe-guard security of fuel supply for Botswana.

Project	Francistown Fuel Depot Expansion
Client	Botswana Oil Limited
Funder & Facility Owner	Botswana Government
Additional Capacity	60 million litres
Project Cost	P900 million
Project Duration	24 months (2 years)
Civil & Building Contractor	Concor- EH JV
Tanks Erection Tender	Still at procurement stage
Mechanical & Elctrical Works RFP	Under Evaluation



Pic - Botswana Oil

BOTSWANA OIL KEY STORAGE PROJECTS TO IMPROVE FUEL SECURITY

- *Tshele Hills project to be completed in 2025 at P3 billion cost*
- *Tshele Hills project to be developed and operated through 20 year PPP model*
- *Botswana fuel supply storage capacity to reach 60 days of supply by 2030*

Botswana Oil Limited (BOL), a quasi-government established to ensure security of fuel supply, is on course to increase its fuel storage capacity to 60 days of supply, with the entity spearheading key storage projects, including the Tshele Hills project pursued through Public-Private Partnership model.

In a business update with the media in October on Tshele Hills project, BOL Chief Executive Officer (CEO), Meshack Tshakedi said the current strategy for security of supply for the country is

articulated in the Deloitte Consulting study of 2012, which also developed the formative five-year strategy for BOL.

He said some of the aspects of the study were later validated by the 2016 Price Water House Coopers review that aimed to refining BOL Readiness to implement the import mandate.

“The strategy for security of supply for the country is underpinned by consolidation of imports by the National Oil Company (NOC)

to give the country some control on the flow of imports, and operation of strategic fuel infrastructure by the NOC,” Tshekedi said.

Another key element of security of supply is the expansion of strategic storage infrastructure, to 60 days stock cover by 2030. Currently, Botswana’s storage infrastructure allows for 18 days of supply if Botswana does not get supply from the outside world. The International Energy Agency (IEA) recommends 90 days of supply, but Tshekedi said it would be costly for Botswana to achieve the target, indicating that the current target is achieving 60 days of fuel storage supply by 2030.

Botswana, which is heavily reliant on South Africa, is also pursuing other options by operationalisation of alternative routes of supply through introduction of Namibia and Mozambique routes, therefore ending over reliance on single route, Tshekedi said.

Tshekedi indicated that currently, Botswana imports 90% of fuel products from South Africa, 4 % from Namibia and 1% from Mozambique.

TSHELE HILLS PROJECT

To increase national strategic petroleum storage capacity to 60 (strategic) plus 5 (operational) days coverage, BOL is overseeing the construction of a 187 million liters tank farm and associated works at Tshele Hills.

Following a Presidential Directive in 2018, BOL was given the mandate to oversee the project, taking the responsibility previously shouldered by the Ministry of Minerals and Energy.

BOL was given the mandate to structure a Public-Private Partnership model arrangement with a suitable private partner through a Special Purpose Vehicle (SPV) that will provide the required funding to complete the works at Tshele Hills.

According to BOL General Manger – Operations, Mosekho Kenamile, the PPP partner will design, build and finance a fuel storage facility at Tshele Hills, and construction will last for two years. The partner will thereafter operate and maintain the fuel storage facility for the duration of the project period and transfer the facility to the government at the termination or expiration of PPP Agreement (20 years operational period).

PROJECT COST

Tshele Hills project will cost P3 billion to complete, with construction of building and civil infrastructure accounting for P350 million of the cost. Construction of the tank farm will cost P1.2 billion, while fuelling of the facility will account for P1.5 billion.

Kenamile said RFQ (qualification), was issued first week of September 2022, and will be followed by RFP to shortlisted bidders by November 2022. Financial close and start construction to start by July 2023. The 24 months of construction will see the projected being completed by July 2025

OTHER SECURITY OF SUPPLY PROJECTS

FRANCISTOWN EXPANSION – 60 MILLION LITRES (60,000M3)

18 months construction to be completed by April 2024

Ghanzi Fuel Depot – 30 million litres (30,000 m3)

18 months construction to be completed by May 2024

350 km Multi product pipeline (Tarlton RSA– Tshele Hills GBE)

At Feasibility study development. To be completed by Jan 2023

Ikaegeng Coal to Liquids

The project will be developed as a PPP project. PPP structure adopted is the Design, Build, Finance, Operate, Maintain and Transfer (DBFOMT). RFP suite of documents nearing completion and roadshows planned prior to issuance of the RFP by December 2022. Financial close planned for end of 2024.

BOL-DEBSWANA PARTNERSHIP

In April, this year, Debswana announced a partnership with BOL for supply of fuel, in which the latter would play a facilitator role. The five-year partnership, valued at P8 billion, will also create opportunities for support services along the oil value chain, such as trucks staging, truck stops, tyre services, wash bays, truck service, maintenance jobs and other related support activities for Botswana

“The partnership will create an opportunity for Citizen participation in the fuel supply value chain at a scale bigger than has ever been done in the country, and it will also increase citizen companies market share in the space of transportation and fuel supply,” Tshekedi said on Monday.

He said the partnership also presents an opportunity to build the required scale, expertise, and experience in Botswana to participate in future businesses such as the BOL import mandate and the future Debswana business, without the need for BOL’s participation.

Tshekedi also said the partnership have several benefits to the economy as it is the first in the local Oil and Gas industry and stands to set the tone in attaining the Government reset agenda and citizen economic empowerment agenda.

“It will set the tone to replicate similar initiatives elsewhere in other organisations that are still dominated by Multinationals, with minimal citizen participation, and it also demonstrates the commitment of the two entities to transform the industry and create jobs for Botswana,” he said.

“This is a significant milestone for the country, considering that Debswana is the biggest single consumer of fuel (Diesel 50) in the country.”

Khoemacau Copper Mine

Promoting business - community relationships that create social capital and sustainability.

Khoemacau Copper Mine is a copper-silver project located along the Kalahari copper belt in the sparsely populated North-West region of Botswana, approximately 60km South-West of Maun town.

Owned by U.S. private equity firm Cupric Canyon, Khoemacau Copper Mine is made up of over 4,040 square kilometres of mineral concession and envisions mining and processing 74.4 million tonnes grading 2.0% copper and 21.4 g/t silver over the 22-year mine life, averaging payable production of approximately 62,000 tonnes of copper and two million ounces of silver per year which will be destined for export.

The Khoemacau Copper Mine flagship Zone 5 underground mine and the Boseto processing plant are operational and fully mechanised, employing the most modern mining technology, offering not only enhanced safety but low cost, efficient operations.

Khoemacau Copper Mine is located in a predominantly rural area where agriculture is the mainstay of the livelihoods of the community in the region. Cattle ranching is the key economic activity of the community in which the mine is located. In addition, Boseto and Zone 5 are within a radius of 40km from the nearest residential settlements.

The population is characterised by low income, high unemployment, low academic qualifications, and poor developmental infrastructure.

RESPONSE TO COMMUNITY NEEDS

Though Khoemacau Copper Mine land use is limited to the operation of the mine, it however affects vast areas through emissions and waste. Beyond biotic impacts, mines can also increase local food and housing costs, and sometimes generate an influx of immigrants, accompanied by pressure on public health and public services, as well as new social ills.

Khoemacau Copper Mine approach to community development is not anchored on philanthropic donations or ad hoc practices but adopts a sustainable development model which is focused on creating shared value by aligning business goals and competencies with the development priorities of local stakeholders.

Whilst Khoemacau Copper Mine will contribute significantly

to the mining community through employment contracts, supply chain, and payment of taxes; Its community investment programmes will support health, education, capacity building, livelihood development, skills transfer, and access to social services and infrastructure, often in contexts where the levels of poverty, social risk, and expectation are high, and where business and communities compete for the use of land and natural resources.

Khoemacau Copper Mine is working with community leadership which includes Chiefs, Village Development Committees (VDCs), Village Extension Teams (VETs) and Trusts in eight communities around the Mine to respond to their economic and social needs with various intervention measures and commitments.

Development

Engage community leadership on design and implementation of socio economic developmental (SED) projects that meet community needs.

Education

Invest in initiatives geared towards improvement of schools' performance, and Support schools with donations, equipment, infrastructure upgrade and sponsoring awards. Career guidance through practical learning experience during educational mine tours.

Youth

Develop entrepreneurship mentorship programmes for youth in the mining community.

Infrastructure

Grade internal roads in villages within the mining community.

Employment

Increase number of people employed by the mine from the neighbouring communities, greater Northwest district and Botswana as a whole.

create vibrant



KHOEMACAU

COPPER MINING

Technology

Provide internet connectivity to schools.

Amenities

Partner with government to bring development into communities and basic infrastructure provision like sanitation and water.

Procurement

Promote citizen economic empowerment by supporting businesses from the neighboring communities, Northwest District and the country.



Responding to Government call for food donations during the Covid19 pandemic



Khoemacau engaged with the community leadership during a strategy development workshop



Khoemacau supported the Sehitwa poultry project development



Prize recipients for the inaugural Khoemacau Schools Prize Giving ceremony

Botswana Innovation Hub,
Science & Technology Park, Icon building, Bar 3 Level 02,
Block 8 Industrial, Plot 69184,
Gaborone, Republic of Botswana.
Tel: +267 393 1006



Pic - DPF

CONSTRUCTION OF P68 MILLION BOUTIQUE HOTEL TAKES OFF IN JWANENG

- *Developed by Debswana Pension Fund*
- *Project to run for 14 months*
- *Cresta to take occupation immediately after completion*

On Tuesday 22nd November 2022, Debswana Pension Fund (DPF) – Botswana’s second largest pension fund, & Cresta Marakanelo Hotels – the country’s largest hotels group kick-started the construction of the world class 50 Room 4-star Boutique hotel in Jwaneng, expected to be one of the most iconic hospitality centres in the land.

Cresta is already a tenant to Debswana Pension Fund’s existing Cresta Jwaneng Hotel. In May this year Cresta announced that it has “entered into a lease agreement with Debswana Pension Fund (DPF) for new hotel development in Jwaneng”.

Jwaneng is a small town southwest of Gaborone, home to the world’s biggest diamond mine, a flagship for partly state owned Debswana Diamond Mining Company. Construction of the hotel will run for 14 months with completion expected by the end of 2023, after which Cresta will take occupation.

Chief Executive Officer of Debswana Pension Fund Ms Gosego January said it was a dream come true to see the project take off after seven years of working hard, conceptualising and putting together the necessary arrangements and lease agreements for the development.

Ms January said over the years, the Fund has derived strong performance across its direct property portfolio currently worth over P688 Million.

The Fund's direct property portfolio has remained largely resilient to exogenous shocks such as COVID and national shutdowns and spans across the country with properties that include Debswana House, Gaborone Private Hospital, Gaborone Station Mall, Engen Maun and many other properties across the country.

She said the Fund seeks to provide superior returns to its members which is a primary driver of Fund Management expanding the property portfolio. "Over the years, we have enjoyed strong performance across our property portfolio and are invested in continuing to identify more property investments across the country."

Ms January stated that DPF is looking to acquire land in other parts of the country as it looks to invest in a mixed-use development

aligned to meeting the needs of broader communities, inclusive of DPF's members, highlighting that a project along those lines is currently earmarked for Letlhakane village in Boteti.

"We are investing P68 million towards construction of this hotel, this is how we contribute to other economic sectors, in this case the tourism sector so that it can compete with the diamond industry as a way of diversifying our economy," she said.

Cresta Marakanelo Limited (CML) Managing Director Mr Mokwena Morulane spoke of the importance of tourism in the diversification of the economy and indeed in the creation of job opportunities to cap the intractable burden of unemployment in the country.

Mr Morulane highlighted the alignment of DPF's and CML objectives as both entities transact in the best interest of their stakeholders in identifying long-term sustainable projects that yield superior returns for the shareholders/members and importantly contribute to the overall advancement of Botswana.



Debswana Pension Fund was set up in 1984, it is the biggest private sector pension fund by size and the country's second after Botswana Public Officers Pension Fund (BPOPF). Currently the Fund provides pension management services to all employees of Debswana Diamond Company, Morupule Coal Mine, De Beers Holding Botswana, De Beers Global Sightholder Sales, Diamond Trading Company Botswana and Mmila Fund Administrators. The Fund's investment portfolio recently surpassed P10 billion.

Cresta Marakaelo, established in 1987, currently operates 11 hotels in Botswana, its largest shareholders are Botswana Government through Botswana Development Corporation (BDC) at over 30 percent. Other Cresta Marakanelo shareholders are the international group - Cresta Holdings, Motor Vehicle Accident Fund Botswana, Botswana Insurance Company amongst others.

Earlier this year Cresta Marakanelo announced that its existing hotel in Mahalapye will be expanded by another 64 rooms in a multi-million-pula development, having signed a lease agreement with the property developer, construction is currently underway.





*Duncan Wanblad,
Chief Executive
Anglo American*

Pic - Anglo American plc

ANGLO AMERICAN ON CARBON NEUTRALITY, BIODIVERSITY AND RESPONSIBLE MINING

Anglo American plc on the 31st of October 2022 presented its twice-yearly sustainability performance update, including in relation to decarbonisation, net positive biodiversity and progress towards assuring all operations against recognised responsible mining standards.

Duncan Wanblad, Chief Executive of Anglo American, said there is growing awareness of the centrality of mining to enabling the energy transition and the contribution we can make to a more sustainable future.

Recognising that many of the metals and minerals Anglo American produce are critical to the technologies required to decarbonise the world's energy and transport systems, Wanblad said their commitment to being part of the solution to climate change begins in their own business by meeting emissions reduction and carbon neutrality goals.

"We know we also have a role to play to support host countries and communities in terms of skills, jobs and new fields of economic opportunity that are emerging. This transition must include all society – it must be "Just", said Wanblad.

"As a further commitment to our holistic set of sustainability ambitions, we put in place our Sustainability Financing Framework in recent months, meaningfully linking certain of our funding requirements to the stretching sustainability objectives we have set for our business. Within that framework, we issued our first sustainability-linked bond, including performance targets to reduce greenhouse gas emissions and fresh water abstraction, and to support job creation in host communities – a first of its kind for the mining sector."

EMISSIONS REDUCTION – PROGRESSING TOWARDS CARBON-NEUTRAL OPERATIONS BY 2040

Anglo American set a target in 2018 to reduce GHG emissions by 30% by 2030, on their pathway to achieving carbon neutrality across their operations by 2040. On-site energy requirements are the largest source of their operational emissions, and Anglo American is making good progress towards their abatement.

"By 2023, all our South America operations will have 100% renewable electricity supply and, for Southern Africa, we have partnered with EDF Renewables to develop 3-5 GW of clean generation capacity, which is expected to meet Anglo American's operational power requirements and support the resilience of local electricity supply systems," said Wanblad.

"We have also set an ambition to reduce our scope 3 emissions by 50% by 2040, including by forming a number of partnerships

with major steel customers to work together to unlock clean steelmaking technologies."

BIODIVERSITY – DELIVERING NET POSITIVE IMPACT

Anglo American's Sustainable Mining Plan commits the company to achieving a net positive impact on biodiversity across its managed operations. Wanblad said they have completed detailed baseline assessments, defining significant biodiversity features to protect and further restore, including key habitats and species and important ecosystems.

"We are investing in innovative technologies and nature-based solutions to mitigate climate change impacts and water scarcity, and to nurture wildlife habitats, with biodiversity management plans for each site being integrated into our life of asset plans," he said.

100% RENEWABLE ELECTRICITY SUPPLY FOR ANGLO AMERICAN AUSTRALIA OPERATIONS

On the 16th of November 2022 the mining conglomerate announced that it has sourced the supply of 100% renewable electricity for its operations in Australia from 2025, agreeing terms for a 10-year partnership with Stanwell Corporation, the Queensland Government-owned provider of electricity and energy solutions.

The deal will effectively remove all Scope 2 emissions from Anglo American's steelmaking coal business in Australia from 2025, supporting Anglo American's progress towards carbon neutral operations by 2040.

Dan van der Westhuizen, CEO of Anglo American in Australia, said: "Sourcing 100% renewables supply from Stanwell Corporation, linked to two major wind and solar projects in Queensland, is a big step towards our target of carbon neutral operations in Australia – and globally – by 2040. We are committed to playing our part to help combat climate change, including accelerating a number of technologies to abate our on-site emissions, from electrifying our truck fleet and other mobile equipment to capturing the methane from our steelmaking coal seams.

"I am delighted that we are able to support Stanwell Corporation in its investment in 650MW of renewables capacity for Queensland. Today's deal brings significant environmental benefits and is NPV positive compared with our current energy mix, while underwriting a large investment in renewable energy generation for Queensland."



*Kabo Phetlhu
Innovation and Digital
Transformation Lead at
Debswana Diamond Company*

PHET
KABO
Kabo Phetlhu
Debswana Diamond
Company
Africa Mining Summit 2022

RETHINKING FUTURE OPERATIONS AND BUSINESS MODELS IN MINING

Innovation and Digital Transformation Lead at Debswana Diamond Company, Kabo Phetlhu, has said that the convergence of shifts in technology will ultimately lead to new operation and business models in the mining industry.

Phetlhu who was part of panel discussion on Mining Innovation at Africa Mining Summit held recently in Gaborone, said it is important to understand what is driving innovation in mining, highlighting that the convergence of technology shift in three areas; digital and information technology; energy technologies and mining methods is at the centre of transformation in the industry.

“Digital and information technology, which is what organisations and industry players tend to focus on when they talk technological innovation, deals with cloud computing, data analytics, internet of things. It is one piece that really allows organisations to harness their data and be able to drive faster and much more optimal decision-making,” he said.

He said shifts in energy technologies, driven by de-carbonisation, would mean that the industry is looking at implementing new solutions around energy generation, which is one area that is driving innovation in mining.

The other driver of innovation in mining, according to Phetlhu, is changes in mining methods as the industry reimagine new ways of mining.

These include solutions around alternative haulage; how ore is transported, robotics, and physical automation among others.

“What we have done in Debswana, in our effort to understand this convergence and what it means to us, we have been working on this concept called Future Smart Connected Mine, and when we look at the convergence of these technology shifts, we understand that it means ultimately, the outcome is not so much technology shifts themselves but what technologies enable,” said Phetlhu.

“Technology gives us the ability, as an organisation to reimagine how work will be done in mining. We can change workflow patterns of how we do things; we can reimagine work for the future, and potentially create newer jobs that are much safer, and much more exciting, especially looking at the upcoming generation.

“Ultimately, it means rethinking our operating model, and rethinking future business models around mining. This integrated approach should be about thinking new operating models that are much more digital, and even thinking about future business models that can be applied in mining.”

DRIVING INNOVATION

Phetlhu said Botswana could be the driver of innovation in mining, and that the participation of government could be handy. He said tech giants such as Microsoft, Amazon, Google

benefitted from research and development done in the army by the government of the United States (US) and later opened to the public, and led to the internet boom.

“For us in mining, we have to be patient in terms of whether we are slow or not because we do not have such investment especially around mining methods,” he said.

“We are thinking about new ways of building processing plants to be more modular; which means they will have a smaller footprint. We are looking at them being built with highly automated capabilities such that we minimize exposure of people to high-risk activities,” said Phetlhu.

“We want our plants to be intrinsically built with safety and reliability in mind, and to be much more connected, such that we bring all these digital capabilities, and we can be more data driven in how we operate them. And the sort of investments to do such things is quite significant.”

According to Phetlhu, there are opportunities for Botswana to be leaders in driving research and development, in mining, and be able to export such capabilities.

“With the history, knowledge and experience we have in crafting very progressive mining policies, there is absolutely no reason we cannot begin to extend those into driving innovation in mining, with Botswana being the centre of excellence,” he said.

INNOVATION AND LEADERSHIP

Phetlhu said Botswana should be able to create an environment where solutions and innovation develops locally, and can be seen as be fit as those that come from outside.

He said in a bid to be approved by the outside world, there are organisations that incorporate companies in Silicon Valley and bring innovation they developed in Africa, so that are seen to be coming from externally.

“If we consider that leadership set the tone in organisation culture, then the real thing is the leadership choices — being able to be bold enough, and open enough to new ways of organizing and operating, and importantly, new business models that will encourage innovation and models that will set up necessary structures for us to allow for this talent to begin to thrive and to develop products to the same quality, that other industry players will be comfortable in procuring services from them,” he said.

“Culture, it is just synonymy for leadership choices. Leadership can say, this is what we will do because we have the talent, and we can do that if we are deliberate about pursuing such a pathway, as one of the ways to drive transformation.”

*Ms Keene Nkoane
Debswana Principal Asset
Management Engineer*



FEMALE BUSINESS LEADERS AND THE BOTTOM LINE

Female leaders bring character traits that are essential in business, but there is need for organisations to have support systems for them to flourish. This was echoed by Debswana Principal Asset Management Engineer Ms Keene Nkoane speaking at the Africa Mining Summit held in Gaborone late September, underscoring that organizations should provide the right environment for female leaders to succeed.

The Debswana Asset Management Engineer, who was among the

first cohort of female engineers to be trained by the company, said it is evident that male and female have different traits, adding that female traits in leadership could be as good as the male traits.

Nkoane narrated how she learnt the hard way one day when she was expected to fire an employee for absconding, but she decided to do something extraordinary — at least by the company standards.



“The employee was diagnosed with a sickness, and he was not taking that well. My female character trait was able to pick that. My boss expected just one outcome- to fire the person,” Nkoane said.

“I was expected to fire someone, and I chose to seek help for that person. It is something that I am very proud of because I believed I saved the company a good resource, and also I feel I saved a family, a father and a husband.”

Nkoane said her development stagnated a bit because of the decision because supervisors felt that she was weak. However, Nkoane believes that was one of the strongest decisions she has ever made.

“It was at that time that I decided to break the mould of having to follow certain traits because it is what is deemed good leadership. I decided I am going to lead based on my strengths, and my

strengths are what you deem weak, but I get work done. I develop good teams, I have a good relation with my team, and we have achieved a lot,” Nkoane said.

QUOTAS FOR FEMALES IN BOARDROOMS

In a bid to enforce equality, governments have been crafting legislations aimed at ensuring statutory quotas are introduced in company boards. The objective is to encourage participation of women in decision-making bodies.

However, Nkoane maintains that ensuring participation of women through statutory instruments may not be the best option, warning that it could lead to undesired results such as not appointing the right people or resentment against women appointed in that manner.

Nkoane said the objective should not just be about bringing female leaders on board, but about bringing certain traits that women possess on board. She said it should not be about numbers, but the outcome.

“Quotas can work if they are implemented effectively. It is an external stimulus that forces organisations to do something about it,” she said.

“I do not think it is the right way to go, but I recognize that it is an important step, out of the many steps that need to be taken.

“Should the outcome be about getting the numbers in the boardroom? I do not think so. The outcome should be, are there character traits that we think are lacking in the current boardroom? If the character traits that are lacking, are that we can get from women, then we need to get the right women.”

Nkoane said it is not every woman who wants to be an engineer, adding that even those that are technical good end up saying, it is not worth their effort and time. She emphasised that it is important to get the right women, and highlighted that, doing so should be informed by the type of character traits that are needed in the boardroom, not just about adding numbers.

According to Nkoane, there should be programmes in place aimed at encouraging participation of women in mining, including those targeting pupils so that they can understand options available for them as females.

“Men should also be brought along so that there is an understanding on what they are expected to do. When you do something as a legislation, people are forced to abide, and they are going to pick whoever they can. I am not sure if men understand the need to do so,” she said.

“It is wrong to get them to act because it is a directive from outside. We have to help them understand that bringing women on board could actually help them. Once we have done that, there is no need even to put quotas because they will work hard to get it done because they see it as something that will help them.”

Nkoane said in the absence of such an understanding, men are going to resent women in the boardroom because they will believe that they do not deserve to be there.



Mr Phillip Lisindi
Debswana Supply Chain Lead

BUILDING CITIZEN OWNED COMPANIES AND DEMYSTIFYING DEBSWANA SUPPLY CHAIN

Debswana Diamond Company, Botswana's flagship mining outfit and the country's leading private sector employer is warming up to citizen owned companies and ensuring that they participate meaningfully in its multi - billion pula supply chain.

This was underscored by Debswana Supply Chain Lead, Mr Phillip Lisindi, when speaking at the Africa Mining Summit held recently in Gaborone.

Lisindi said through their Citizen Economic Empowerment Programme (CEEP), they are demystifying the belief that Debswana is a difficult entity to do business with.

"I think a lot of people find dealing with Debswana extremely complicated for whatever reason. We want to bring Debswana to the people. There are people who may view it as a monster, so we are warming up to the people," said Lisindi.

He said Debswana has come up with key initiatives to help citizen companies to participate in its supply chain, key amongst them through a partnership with Gordon Institute of Business Science (GIBS) Entrepreneur Development Academy on Citizen Economic Empowerment Programme which involves the up-skilling of suppliers, staff and citizens in the fields of business and entrepreneurship.

“Our collaboration with GIBS is meant for small suppliers and contractors in order to build them up. We train people on how to use money, how to set up systems and how to manage working capital, so the company does not fail,” said Lisindi.

He said as Debswana they noticed that a vast number of Batswana lack entrepreneurial skills and in most cases, they set up themselves for failure.

Lisindi said CEEP is the cornerstone of Debswana supply chain, and the mining company wants citizen companies to participate meaningfully in its supply chain, and hence the initiatives designed to capacitate citizen companies.

CEEP initiative is aimed at repurposing Debswana supply chain and development of citizen participation in mining activities. The initiative will create and deliver an estimated P20billion in shared value and 20 000 jobs by 2024.

The influx of citizen companies in the supply chain and areas that previously were dominated by international companies created a new challenge of capacity, but that does not mean Debswana will drop the standards for citizen companies.

“We drive safety, and you can imagine if we drop the standards, we will be introducing the biggest risks into our processes,” said Lisindi.

He said Debswana has noticed that there are contractors who win contracts based on their proposals, but immediately after getting the job, they start compromising on quality to save more money for themselves through, for instance; not hiring the personnel they promised to hire in the proposal, but instead hiring lesser skilled or experienced personnel.

“Some companies put together a good proposal and eventually get the job, but when it comes to implementation, it is something else. At implementation stage, that is where we usually notice companies not complying with what they promised and along the way compromising quality,” said Lisindi.

Lisindi also indicated that Debswana is faced with problem of suppliers and contractors who balloon prices just because they are dealing with Debswana. He said the problem is endemic across the entire Debswana value chain.

“Once you deal with Debswana in that manner, it is over, you will never come back again,” he warned.

“Doing so is being short-sighted. You are taking from the hand that feeds you. People do not think of the implications of what they do.”

In response to such predatory practices, Debswana has put some controls in place. The company has gone out to the industry to look for prices, and it is compiling the rates manual.

“When you want to do business with Debswana, we tell you to quote on your management team, and for supplies, we provide guidance on the prices unless you can justify why you need to buy at a different price. It is at an early stage, but we have started using it,” said Lisindi.

“My message to our suppliers and contractors is that: come with clean hands, and have some integrity — you will be okay with Debswana.”



SHAFT SINKING CONTINUES AT KAROWE UNDERGROUND PROJECT

- Over P300 Million spent on the project during the 3rd quarter of 2022

Shaft sinking at the Karowe Underground project is progressing amid operational challenges. Lucara Diamond Corp, 100 percent owners of the Karowe Mine released its 2022 third quarter performance results.

During the three months ended September 30, 2022, a total of \$23.9 million (over P300 million) was spent on the Karowe underground project development, primarily in relation to ongoing construction activities and procurement of long lead items. Main sinking of the production shaft commenced at the end of September while main sinking in the ventilation shaft continued.

As main sinking activity ramped up in the ventilation shaft during the third quarter, several operational issues arose resulting in sinking rates achieving less than plan due to longer cycle times.

In response to the operational challenges and longer duration cycle times, changes and mitigations were actioned during the quarter. Observed cycle times and sinking rates are improving.

The start of main sink activity in the production shaft was delayed due to longer than planned commissioning of the winders and hoisting plant.

Cycle times are now improving. Procurement of shaft station underground mobile equipment progressed with equipment deliveries commenced in Q4 2022 and is expected to continue into Q1 2023.

The Letlhakane and Karowe substation construction continued with focus on civil work and cable pulling for control equipment installation. The transmission line towers were equipped with stringing hardware and safety nets were installed over existing line crossings.

Activities for the Karowe UGP in the fourth quarter of 2022 are expected to include the following:

- o Sinking within both the ventilation and production shafts.
- o Procurement of underground equipment, including awarding the bulk air cooler tender.
- o Continuation of detailed design and engineering of the underground mine infrastructure and layout.
- o Commissioning the 29 km, 132kV bulk power supply power line.



The Karowe UGP is expected to extend the mine life to at least 2040, with initial underground carat production predominantly from the highest value EM/PK(S) unit and is forecast to contribute approximately \$4 billion (over P50 billion) in additional revenues, using conservative diamond prices.

The updated estimated capital cost for the Karowe UGP is \$547 million, over P7 billion (including contingency) and reflects expected pricing changes following execution of the main sink contract in Q2 2022.

Mine ramp up is expected in 2026 with full production from the Karowe UGP expected in H2 2026. Lucara is using a combination of cash flow from operations and project debt for the investment in the Karowe UGP, which is fully financed.

FACT SHEET

Project Value:	BWP 7 Billion
Client & Owner:	Lucara Diamond Corp.
EPCM Contractor:	JDS Energy & Mining Inc
Shaft Sinking Contractors:	United Mining Services
Project Status:	Ongoing
Completion Date:	H2 2026
Expected Revenue from Underground production:	BWP 50 Billion



Pic- De Beers

Bruce Cleaver
De Beers Group CEO

DE BEERS TELLS DIAMOND STORY AMID NEW CONSUMER DEMANDS

- Consumers now want to know provenance of diamonds
- De Beers accelerates usage of Tracr blockchain platform
- Building Forever is De Beers response to tell positive story
- Impact of mining on the environment among key issues of concern

De Beers Group is monitoring developments in the global diamond market to stay on top of the game. The ever-changing market, driven by consumer demands is now shifting towards provenance of diamonds as the important factor in retail purchases of diamond products.

As part of response to the new dynamics, the outgoing Chief Executive Officer (CEO) of De Beers Group, Bruce Cleaver, said De Beers sees traceability and transparency as key elements of a successful diamond business, and one such example is the development and acceleration of the Tracr blockchain platform, the world's first fully distributed diamond blockchain platform providing immutable evidence of a diamonds provenance from source to retail.

"Named by Forbes as one of the world's 50 leading blockchain solutions in 2020 and 2022 we successfully launched the Tracr production platform in February 2022, with more than half of our sightholders live or in testing on the platform," Cleaver said,

speaking during The Natural Diamond Summit organized by De Beers Group late October.

"By the end of 2022, Tracr will be loading over 55 percent of De Beers production on the platform every sight, with over 90,000 diamonds scanned at the last sight."

Cleaver, who is scheduled to serve as co-Chairman in the De Beers Board, said thus far, they have received positive feedback on the quality and capability of the groundbreaking platform and De Beers will continue to work towards improving the value of the platform for all its customers, and beyond.

Cleaver said, at De Beers, the social and environmental value they provide to their stakeholders is delivered through the company's Building Forever framework, a commitment to leave a lasting positive legacy that will endure long after the last diamond has been recovered.

“While we have made our sustainability commitments central to our overarching business strategy, we cannot achieve all our sustainability objectives on our own,” he said.

“We will need to collaborate with all of you, our partners, and with the communities where we operate in order to realize our and their aspirations.”

Cleaver said these De Beers aspirations are also shared by their retail customers whose interest in the societal and environmental impact of natural diamonds exists right alongside their desire to experience the brilliance that comes with buying and wearing those diamonds.

“Our efforts to live up to the theme of Diamonds for sustainable development and simultaneously deliver those assurances to consumers have never been more important. I believe wholeheartedly that, collectively in partnership, we can make this theme a reality across the industry,” he said.

In the 2022 Diamond Insight Report, Cleaver said that the consumer trends they have been observing for some time – such as a desire to purchase more sustainably, to buy from trusted brands, to know where and how a diamond is sourced and to shop digitally – are no longer future predictions for the diamond industry.

“They are already in evidence today and are set to become even more prominent in the future. This report serves as a timely reminder that we must continue to prepare for tomorrow, today. We are on the cusp of a new diamond world and should embrace the opportunities it presents,” he said.

DIAMONDS FOR SUSTAINABLE DEVELOPMENT



The Government of Botswana want to continue working collectively with the diamond industry, to respond to the needs of retail clients who increasingly demand to know among other things, where the diamonds that they purchase are sourced from.

When speaking at the same summit President Mokgweetsi Masisi said consumers want to know how the diamonds have improved the communities living in the areas where they are mined.

“They want to be assured that the information they are receiving on the diamonds they purchase is accurate,” he said.

Masisi said the new demands by the consumers is a call for the diamond industry to accelerate the work they are doing to support sustainable development, contending that there is need to invest in capacitating people, to innovate and reduce the industry’s impact on the environment.

From the very beginning, Masisi said, Botswana has managed her diamond resources prudently, for the benefit of her citizens, stating that diamond proceeds have been instrumental in building all that roads and hospitals, as well as for funding education for the people of Botswana.

“When diamonds were discovered in Botswana some 57 years ago, a conscious decision was made to promulgate legislation that vested ownership of mineral rights in the State. With the support of legislation, it became possible to develop policies that ensured that the minerals in the country benefited the whole nation irrespective of where they were discovered,” Masisi said.

“That action and the commitment that was made then, created a very solid foundation on which to build for the future. That foresight, and ability to plan into the future, is what sustainability is all about.”

He said with that clarity on how the mineral resources were going to be used, Botswana then had to enter into an arrangement for mining the diamonds with a technical partner whose geologists were responsible for discovering our diamond bearing kimberlite deposits, following many years of exploration work.

“That is how the relationship with De Beers in our flagship mining company Debswana was formed. This strategic partnership turned out to be one of the most successful Public Private Partnerships in history. A right partnership is such an important part of the success of any business,” he said.





AFREXIMBANK ANNOUNCES P20 BILLION ECONOMIC PACKAGE FOR BOTSWANA

- Money to support among others development of Mining & Commercial Agriculture value chains
- Afreximbank to develop at least 2 Botswana special economic zones
- The funding to be rolled out in 3 years until 2025

The African Export- Import Bank (AFREXIMBANK) has announced plans to avail USD \$ 1.5 Billion (nearly P20 billion) financing as part of Botswana's country program, Professor Benedict Okechukwu Oramah, the bank's President and Chairman revealed on the 2nd of November 2022 in Gaborone, during the official opening of the Global Expo organised by Botswana Investment & Trade Centre (BITC).

Professor Oramah said the bank will be proposing to Botswana Government an Afreximbank Country Programme in an amount of USD 1.5 billion to be implemented over three years to end 2025. Through the programme, Afreximbank will, among others, make available to Botswana the Afreximbank Group suite of products.

The financing package has been designed to support key strategic projects underpinning Botswana's Economic Transformation and Diversification Plan – with funding allocated to road, rail, Digital Broadcast/ Creative Industry, Manufacturing, Local Content Promotion, Mining, export agriculture and industrial infrastructure.

“In this regard, we will work with Botswana Government to create a Joint Project Preparation Facility which we can use to develop projects and bring them to bankability,” the Professor said.

He explained that this facility will be available to SMEs and also support highly skilled Botswana mining and agricultural professionals in developing their businesses and projects.

ING OUR ECONOMY FOR A BETTER T AND THE APPLICATION OF ROBUST



“We will work with the Special Economic Zone Authority (SEZA) to develop 1-2 zones in locations that we will jointly agree; we will support the development and operationalization of rail infrastructure to improve the movement of goods and people to and from neighboring countries,” he said.

“We will support commercial agriculture for home consumption and exports to other African economies in the context of the USD 2 billion initiative Afreximbank and the AfCFTA secretariat entered into in July this year.”

Professor Oramah said Afreximbank will continue to support Botswana banks to ensure they have access to trade finance and trade services. “We are happy to work with Botswana to create a facility that will encourage more indigenous participation in Botswana’s economy,” he said.

“The Facility will have features that will ensure that we reduce the capital constraint to such participation. And in the automotive industry, which is a priority of the Government of Botswana, we will work in the context of the Continental Automotive Strategy to ensure that Botswana benefits from the USD 1 billion Africa Automotive Sector Support Facility that Afreximbank has made available.”

The African Export-Import Bank is a Pan-African multilateral trade finance institution created in 1993 under the auspices of the African Development Bank. It is headquartered in Cairo, Egypt. Afreximbank’s vision is to be the go to trade finance bank for Africa.

Afreximbank’s mandate is to finance and promote intra- and extra-African trade using three broad services: Credit (Trade finance and Project finance), Risk Bearing (Guarantees and Credit Insurance), Trade Information and Advisory Services. Afreximbank has 50 African member-countries.

In terms of the challenges currently facing the African Continent the Afreximbank President said “The conventional wisdom is that lack of infrastructure is the greatest constraint to intra-African trade, but in reality, it is the problem of Trade Information that is creating so many of these absurdities,”

Professor Oramah said it was unacceptable that while so many countries in Africa face crop failures as a result of the challenges in Russia from where they import their nitrogen fertilizers, urea and ammonia providers in Nigeria are exporting large quantities of the same product under long-term contracts to Brazil, the USA, Mexico, and elsewhere at lower price than what Africans pay.

“It is unacceptable that while Botswana exports large quantities of quality grass-fed beef to Europe, Egypt buys the same product from

Australia and Brazil and at much higher costs than what Botswana sells the product for, it is absurd that Ethiopia buys certain kinds of leather for shoe-making from New Zealand, at twice the cost that Burundi, in the same East Africa, sells to the world.”

He went on to add that, “Colonialism divided our continent into 55 atomistic markets that know little to nothing about other African markets and, therefore, do not see each other as an opportunity. It is this barrier that we must break if we hope to use our collective endowments to improve our individual economic situation”

Professor Oramah said Afreximbank is fully committed to expanding access to trade information across Africa, so that intra-African trade share of total African trade can rise from about 16% to our near-term goal of 25%.

“That is why we launched the biennial Intra-African Trade Fairs (IATFs), in partnership with the African Union Commission (AUC) and the AfCFTA secretariat. The first edition was held in Cairo in December 2018 and the second in Durban in November last year. The two editions combined attracted about 40,000 participants and over 75 billion USD in trade and investment deals. The third edition will hold in November next year in Abidjan, Cote d’Ivoire”.

The Afreximbank is already a player in Botswana’s economy, having provided debt funding to Lucara’s Karowe underground project that will expand the mine life to 2040.

Afreximbank deploys innovative structures to deliver financing solutions that support the transformation of the structure of Africa’s trade, accelerating industrialization and intra-regional trade, thereby boosting economic expansion in Africa.

A stalwart supporter of the African Continental Free Trade Agreement (AfCFTA), Afreximbank has launched a Pan-African Payment and Settlement System (PAPSS) that was adopted by the African Union (AU) as the payment and settlement platform to underpin the implementation of the AfCFTA. Afreximbank is working with the AU and the AfCFTA Secretariat to develop an Adjustment Facility to support countries in effectively participating in the AfCFTA.

At the end of 2021, the Bank’s total assets and guarantees stood at about US\$25 billion, and its shareholder funds amounted to US\$4 billion. Afreximbank disbursed more than US\$51 billion between 2016 and 2021. The Bank has ratings assigned by GCR (international scale) (A), Moody’s (Baa1), Japan Credit Rating Agency (JCR) (A-) and Fitch (BBB). The Bank is headquartered in Cairo, Egypt.



Pic - Ministry of Trade & Industry

IRVINE'S BOTSWANA EXPANSION PROJECT MARKS P150 MILLION IN INVESTMENTS

Irvine's Botswana — a company supported by Botswana Investment and Trade Centre (BITC) — started operations in 2002 with an initial loan from the Botswana Development Corporation (BDC), expanding its footprint from Zimbabwe to other countries.

Irvine's operations initially consisted of a hatchery producing Cobb day old chicks for the Botswana market. Since then, the company have invested over P150 million into Irvine's Botswana with hatchery expansions, a modern state of the art breeder farms and now the latest investment being the feed mill.

"All our investments are done to the highest international standards to ensure good levels of bio-security and the latest international standards in manufacturing practices which enables us to provide all our customers with the quality products they expect from us," said Craig Irvine, the company Group Chief Executive Officer (CEO).

Irvine's Botswana produces 18 million day old chicks and 48,000 tons of feed per year of which more than 60 percent goes into the small-scale farming sector across Botswana, with the balance going into the commercial sector.

The CEO said most people do not understand the size and importance of the small-scale sector which outside of South Africa produce more than 80 percent of the chicken consumed in Sub Sahara Africa.

"Irvine's is proud to supply over 60,000 farmers across Botswana, Zimbabwe, Mozambique and Tanzania with locally produced chicks and feed in each of these countries," said.

Irvine's Botswana' investment in the Dalein feed mill included a training centre which runs free weekly training seminars for all their customers

to help them start and grow successful chicken businesses as well as the company's growers shop which is a one stop shop for their customers, providing them with day old chicks, feed, vaccines, equipment and other inputs they require.

Irvine's Botswana work with two chick distributors Agri-feed and Big Group Holdings to provide this one stop concept across the whole of Botswana. In addition, they have numerous feed resellers providing easy access to their feeds products country wide.

"We are very serious about growing local and growing together and this can be seen in everything we do. We believe if we can grow our customers businesses, through the supply of top-quality products and training, our business will also grow but so will those of our suppliers. The knock-on effect to the supply chain effect is enormous," he said.

Currently Irvine's Botswana buys 26,000 tons of maize a year. So far this year over 9,500 tons has been procured from BAMB and Botswana Maize farmers, some of whom are here with us today.

This is just under 40% of their maize requirements and the company is looking to increase this going forward. As part of this effort Irvine's will start a pilot project with Foundation for Farming, an organization set up to help small and medium scale farmers improve yields and protect their soil.

Irvine's estimate that In Botswana the small-scale farming sector produces over 11 million chickens per year generating over P680 million in annual revenue for these farmers.

Irvine's Botswana supports over 5,000 of these farmers whom are



mostly women. The profit from these farmers goes directly back into their communities and they are providing a vital service in producing quality protein for their communities often in rural areas which is critical for the development of young people.

“Chicken remains the most efficient source of protein. A chicken Farmer is easily capable of growing a flock of chickens and turning it into cash in 35 days. They can grow 6 flocks a year on continual cycle providing an excellent income opportunity for families and communities,” the CEO said. “In essence we are providing a business opportunity to young entrepreneurs in Botswana.”

Irvine said in their experience, the success of an industry is dependent on the ability of the private sector, government and the farmer to form an alliance whereby each party fulfil an important role. He said the route to market, finance, training, subsidies, hard work and protection are all important ingredients.

“As Irvine’s Botswana we are committed to the success of the chicken industry and are willing to make our contribution count. We invest in modern facilities, and invest in our people as we are here for the long term,” he said.

“I was so proud of my Botswana team when in the last Europe, Middle East and Africa Cobb rankings Irvine’s Botswana was ranked No1 in the entire region for total egg numbers. It is really a fantastic effort of our local team to have achieved this. We are putting Botswana on the map as a quality chicken producer.

“There are now several independent Feed mills in the country making Botswana self-sufficient in local feed production. Irvine’s Botswana has the capacity to add additional shifts, employee more people and nearly double our capacity.

FOOD SECURITY

Speaking at the launch of the Feed Mill factory and Head Office, President Mokweetsi Masisi said, Irvine’s Botswana initiatives are aligned to the priorities of Government, indicating that in the milling plant, Irvine’s has ensured that the raw material is sourced locally, and the company has so far managed to secure a significant portion of their maize requirements from local farmers, thus supporting the

agricultural community.

“This does not only have direct benefits to farmers who are producing maize cobs for the company, but also a market access that Irvine’s has created for them. This is the platform where the chicken talk is punctuated with familiar stories from the breeding stock of Cobb broilers to the efficient H&N layers occupying the largest share of eggs at our breakfast tables,” President Masisi said.

“With Irvine’s potential to double the present feed production, I call upon local maize farmers as well as other investors to participate in the value chain system. Government stands ready to join hands with you in improving the livelihoods of Batswana.”

Masisi said in the Reset Agenda adopted by Government, the development of Value Chains in the agriculture sector is one of the priorities. He said it will ensure food security while we also strengthen Botswana’s knowledge capabilities around the sector through dedicated research by research institutions.

“This confirms the importance of the agricultural sector and Government’s commitment to foster its development.” Masisi said the increased food demand and ever-changing consumption habits driven by among others, the demographic factors such as population growth, are contributing to the country’s rising food import bill, which currently stands at around P1 billion per month.

He said the rise in demand presents opportunities to exploit value chains both in the production and manufacturing side to accelerate economic growth and diversification. It is within this transformational approach, he said, that we would be able to enhance our knowledge capacities and address unemployment, especially among the youth and women.

“Research shows that Botswana has, to a greater extent, achieved self-sufficiency in poultry products. Hence, it is imperative that we focus our efforts on strengthening the value chains in the sub sector in order to propel Botswana to become a net exporter of poultry products. Such areas of focus include production of day old chicks, feeds, poultry-related veterinarian products and diversified processed poultry products at competitive prices,” Masisi said.



Pic - Bashi Kikio

Load & Haul at Jwaneng Mine