

Zambia mulls increasing local firms' participation in mining sector



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INTERNATIONAL –The Zambian government said on Thursday that it would review legislation to ensure that local suppliers and contractors increase their participation in the mining sector.

Richard Musukwa, Minister of Mines and Minerals Development, said the government was concerned that only a meager 10 percent of the 4 billion US dollars spent on procuring goods and services annually by mining firms was going to local firms.

In remarks delivered during a stakeholders' meeting on local content in the mining sector, the Zambian minister said he will not entertain the mismatch because local businesses need to benefit from the country's mineral wealth.

According to him, not much has been done to promote local firms' participation in the mining sector despite hyped talk on industrialization as most goods procured by mining firms were imported and not manufactured locally.

The government, he said, will review policies to help improve the welfare of Zambians despite concerns raised by mining firms, adding that some mining firms have been building capacity for foreign firms at the expense of local firms.

The African Development Bank (AfDB) has helped the government come up with a report on how to improve local content in the mining sector.

Mary Monyau, the bank's representative in Zambia, said many African countries have failed to utilize minerals to improve the lives of their citizens.

She said most goods and services imported by mining firms were given to foreign companies, a move that disadvantages local firms.

XINHUA