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**MINISTRY OF MINES AND ENERGY  
PROCUREMENT MANAGEMENT UNIT (PMU)**

**Request for Proposal  
Procurement Reference Number: SC/RP/15-13/2022**

**TERMS OF REFERENCE FOR CONSULTANCY SERVICES CONCERNING THE MINERALS  
LICENCES PROCESSES AND PROCEDURES  
MINISTRY OF MINES AND ENERGY**

**22 November 2022**

**BACKGROUND**

The Ministry of Mines and Energy (“the Ministry”) has the mandate to manage the mineral resources in the country. The Ministry does so in terms of the Minerals (Prospecting and Mining) Act 33 of 1992. Recently the Ministry has become aware of a public concern about how the Ministry manages the awarding of minerals licences. Specifically, the public is concerned that the Ministry is managing the licensing function in a manner that is not transparent or ethical. It is alleged that some Ministry officials are colluding with members of the public who apply for minerals licences to award licences un-procedurally or unethically. As a result, licences are awarded to undeserving applicants while denying those who are deserving. The consequence of such a practice is that there will be a delay in mineral extraction, thereby delaying economic development.

In the past, the Ministry received numerous complaints regarding the extended length of processing mineral licence applications. It was not unusual for the Ministry to take up to two years to respond to an application. As a response, the Ministry imposed a temporary suspension for receiving new mineral licence applications for 12 months in 2019. This was done to allow the Ministry time to review its licence application evaluation processes. The review found that there were some inefficiencies in the process and the Ministry attempted to address the identified inefficiencies and gaps.

The Ministry implemented two key amendments in the processes in response to the outcome of the temporary suspension and review process:

- a) The Ministry set itself an ambitious target for the licence application evaluation process to be completed within six months of receiving an application.

- b) Furthermore, the Ministry improved the transparency with which licence applications are evaluated. In terms of the current legal framework the Mining Commissioner, appointed by the Minister, recommends whether the Minister should award or decline an application. After the review, the Ministry formalised a system whereby licence applications are evaluated by a committee, chaired by the Commissioner, and the Committee makes a recommendation to the Minister.

## **THE ASSIGNMENT**

To address the challenges explained above, the Ministry seeks the services of an experienced and capable consultant to perform a review of the amended licensing processes to identify challenges in the processes for optimal efficiency and to ensure that applications are processed strictly within the current legal framework. The assignment will apply to EPL applications received between 01 September 2021 and 30 September 2022 (the review period).

## **THE CONSULTANT'S RESPONSIBILITIES**

The Consultant will be engaged to perform the following:

1. Perform a review on adjudicated licence applications during the review period to determine compliance to the approved processes.
  - a. The number of EPL applications during the review period are summarised as follows:

<b>Number</b>	<b>Status</b>
422	Applications received
282	EPLs tabled
186	EPLs finalised
140	EPLs to be tabled

- b. The assignment will be performed on the EPLs that are finalised.
  - c. The Consultant is required to provide four costing proposals for this component of the assignment as follows:
    - i. Cost to review a sample of 25% of the 186 EPLs finalised;
    - ii. Cost to review a sample of 50% of the 186 EPLs finalised;
    - iii. Cost to review a sample of 75% of the 186 EPLs finalised;
    - iv. Cost to review 100% (all) of the 186 EPLs finalised; and
    - v. Cost to review an own determined sample of the 186 EPLs finalised (Optional)
2. Review the mineral licensing processes to recommend business process improvements that would optimise the efficiency with which applications are evaluated. The Consultant is requested to include the following as part of their review and recommendations:
  - a. Benchmark best practices around the world (desk study) and address how Namibia should consider implementing those practices in its processes. The

Ministry is particularly interested in implementing online application submissions and effectively leveraging ICT tools in the process;

- b. Investigate how human intervention can be minimised in the processes and increase process automation to improve transparency and feedback on the status of each application;
  - c. Specifically identify risks and control weaknesses in the processes;
  - d. Investigate the effectiveness of the evaluation Committee and possible improvements to the Committee including the ability of the Minister to appoint external individuals to the Committee. The Consultant is requested to consider best practices such as implementing a Code of Conduct and the duties and responsibilities of the Committee;
  - e. Assess the possibility of implementing the recommendations to the assessments of all EPLs in Namibia beyond just the mineral licences (particularly considering the regulatory and policy environment); and
  - f. The Consultant is requested to consider the impact of the data protection laws referred to below as part of their recommendations.
3. Analyse the digital recordkeeping system and perform the following:
- a. Document the system's processes using process flow charts;
  - b. Identify key risks and control deficiencies in the system and recommend improvements; and
  - c. Recommend improvements to the system that will improve record retrieval.

The Consultant must always maintain the confidentiality of the assignment, including any privileged information that they receive during the course of the engagement.

The Consultant will be required to write reports with their findings and may be requested to present the findings to the Ministry and other stakeholders.

Due to the nature of the applications received, the Consultant must perform this assignment in line with applicable international data protection laws such as GDPR, South Africa's Protection of Personal Information (POPI) Act and the United States' Data Privacy Law.

The Consultant is requested to submit a cost proposal with a breakdown for each of the three key components of the assignment.

### **THE MINISTRY'S RESPONSIBILITIES**

The Ministry will perform the following:

1. Appoint the Consultant within the legal framework to empower them to deliver on the assignment, including liaising with the ACC;
2. Inform the relevant stakeholders whose support is required for the assignment of the engagement, as necessary, to ensure their participation; and
3. Provide the Consultant with the contact details of the employees and other stakeholders, as requested, who are involved in the processes to enable the Consultant's sufficient access to information.

### **RESOURCES THAT WILL BE AVAILED TO THE CONSULTANT**

The Consultant will be availed the following once appointed:

1. All documents on the licence evaluation process and procedures;
2. A complete list of all the licence applications that were finalised during the review period and that indicates the status of each finalised application;
3. Provide the Consultant with the contact details of the employees and other stakeholders, as requested, who are involved in the processes to enable the Consultant's sufficient access to information; and
4. Any other documentation that is requested and deemed relevant.

## **DELIVERABLES**

The Consultant must deliver the following:

1. A findings' report on the assignment to review the licences that were adjudicated during the review period;
2. A review and recommendation report on the mineral licences processes; and
3. A findings and recommendation report on the digital records keeping system.

## **ELIGIBILITY CRITERIA**

- Qualification and experience of the bidder shall be considered as the paramount requirement.
- Bidders must submit proof of having performed similar consultancy services.
- Attach Curriculum Vitae (CV).

## **TIMELINE**

The Consultant is required to submit and present the final deliverables of the engagement to the Ministry within three months after the commencement of the assignment, not including the time it takes to conclude the Consultant's appointment.

## **PROPOSAL SUBMISSION DUE DATE**

The Consultant is requested to submit their proposal physically by dropping it in the bid submission box at the Ministry of Mines and Energy by 10h00 on Friday 02 December 2022. No email submissions will be considered, and late submissions will not be accepted.

## **OTHER NOTES**

Technical and financial proposals should be submitted in separate envelopes. Technical and financial proposals that are submitted together will not be considered.

Closing Date: 02 December 2022

Time: 10H00 am.

Contact: Head PMU:

Tel: +264 284 8111

Email: [ProcurementManagement@mme.gov.na](mailto:ProcurementManagement@mme.gov.na)