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**Republic of Zambia**

**MINISTRY OF COMMERCE, TRADE AND INDUSTRY**

**OPENING REMARKS FOR POSSIBLE USE**

**BY**

**HON. ELIAS MUBANGA, MP,**

**ACTING MINISTER OF COMMERCE, TRADE AND INDUSTRY,**

**AT A WORKSHOP ON NEEDS AND FINANCING MECHANISMS**

**OF THE SPECIAL ECONOMIC ZONE (SEZ)**

**FOR THE ELECTRIC VEHICLE BATTERY (EVB) INITIATIVE**

**ON 4<sup>TH</sup> OCTOBER, 2023**

**RADISSON BLU, LUSAKA**

**OCTOBER, 2023**

- **Mr. John A. Mulongoti, Permanent Secretary, Ministry of Commerce, Trade and Industry**
- **Ms. Eunice Kamwendo, Director of the Sub – Region Office for Southern Africa of the United Nations Economic Commission for Africa;**
- **Mr. Jean Luc Mastaki, Director of the Sub-Region office for Central Africa of the Economic Commission for Africa;**
- **Representatives from the Africa Export - Import Bank;**
- **Representatives from the United Nations Economic Commission for Africa;**
- **Representatives from the African Development Bank;**
- **Representatives from Arise Integrated Industrial Platforms;**
- **Permanent Secretaries and Other Senior Government Officials Present;**
- **Members of the EVB Technical Committee**
- **Captains of Industry;**
- **Members of the Press;**
- **Distinguished Invited Guests;**
- **Ladies and Gentlemen.**

I am honoured to be in your company today, to speak at this very important Workshop which is being held under the theme ***“Needs and Financing Mechanisms of Special Economic Zones for the Electric Vehicle Battery (EVB) Initiative in Zambia”***.

This Workshop has been organised to galvanise support and outline opportunities for local and foreign entrepreneurs to actively participate in the EVB Initiative.

We are determined to see that the implementation of this Initiative results in more local value addition, more citizens participating in economic activities related to the EVB value chain and increased diversification of the economy, thereby leading to the socio-economic transformation which we seek to attain as a country.

**Ladies and Gentlemen,**

This transformative Initiative is expected to increase economic output, create high more jobs and business opportunities along the value chain, drive industrial competitiveness and expand intra-African trade in intermediate and finished goods and services. This is even more important with the implementation of the African Continental Free Trade Area, which aims to create a single market for African goods and services.

**Distinguished Invited Guests,**

**Ladies and Gentlemen,**

Africa holds significant reserves of strategic mineral resources required to power the global energy transition, including critical minerals for the manufacture of, among others, battery precursors and electric vehicle batteries. Zambia alone holds almost all these critical minerals and together with the Democratic Republic of Congo, we hold all the critical minerals that are needed in the development of the EVB Value Chain.

It is for this reason that on 29<sup>th</sup> April, 2022, the Governments of the Republic of Zambia and the Democratic Republic of Congo, supported by the United Nations Economic Commission for Africa and the Africa Export and Import Bank entered into a Cooperation Agreement for the establishment of a Value Chain in the Electric Vehicle Battery and Clean Energy Sector.

The Cooperation Agreement is in recognition that Zambia and DRC, together are home to at least 70 percent of minerals required for the production of electric vehicle batteries and precursors. The Joint Initiative is expected to unlock economic potential and strengthen the value chain, in the respective countries, for the production of battery precursors and batteries for electric vehicles. We will later today have an opportunity to listen to a detailed presentation by Arise on its preliminary findings concerning the development of the EVB Value Chain between the two countries.

**Ladies and Gentlemen,**

Allow me to make mention that the Joint Initiative, is well aligned with Zambia's Eighth National Development Plan particularly the pillar on economic transformation and job creation. Among others, the Plan highlights interventions to increase mining output, which is critical to feed the Initiative; and interventions to diversify Zambia's export base, which is the main purpose of the electric vehicle battery Initiative.

We are, therefore, expectant that through this Initiative our country and its people will benefit from the country's mineral wealth, through job and wealth creation, increased business linkages, increased export earnings, transfer of skills and technology to locals and local enterprises.

We are aware that value addition in general and particularly through this Initiative will have a greater impact on economic growth, job creation and overall poverty reduction. However, for this Initiative to succeed, there are two critical issues that must be addressed.

These relate to access to finance. I am aware that this Workshop has dedicated a significant amount of time to discuss financing options and instruments that can be used in the development of this value chain. A number of local banks and multilateral banks such as the African Development Bank and Afriexim Bank are present at this Workshop to discuss these financing options.

Another critical issue is access to the raw materials. While more exploration is required, there is need to ensure that participants in the Value Chain have access to already existing raw materials.

This Workshop, provides a great opportunity for all present to take part in shaping the implementation of the Initiative, which seeks to harness our mineral wealth and foster the development of mineral-based industrialisation and value chains in the Region.

**Ladies and Gentlemen,**

As a Ministry we are cognizant that Government's role is to create an enabling environment, while allowing the private sector to lead the industrialisation process. Further, we are cognizant that there is no need to re-invent the wheel, but rather, we need to form strategic partnerships and draw lessons from those that have developed successful Electric Vehicle Battery Value Chains.

I, therefore, wish to call upon all present, potential partners and interested investors to take a keen interest and be part of the implementation of this Joint Initiative. Further, I wish to take this opportunity to call upon local small and medium enterprises and start-ups to utilise this opportune platform to create viable linkages for participation in the Battery Value Chain.

Over the next two days, it is expected that the opportunities, along with the needs and financing mechanisms for the Initiative will be brought to the fore.

I should reiterate that we, as a country, have the resources required to successfully implement this Initiative. What is required therefore, is enhanced cooperation among the various stakeholders and strategic partners to ensure that together we increase Zambia's value from critical minerals and at the same time contribute to a clean and green future.

**Ladies and Gentlemen,**

As I conclude, let me assure you that Government is committed to the successful implementation of the Zambia-DRC Joint Initiative of developing a value chain in the Electric Vehicle Battery and Clean Energy Sector. This is pursuant to our ambition to promote economic diversification, value addition and transform the country and the livelihoods of our citizens.

With these remarks, I now declare this Workshop officially open. I wish you fruitful deliberations. .

**Thank You!!**