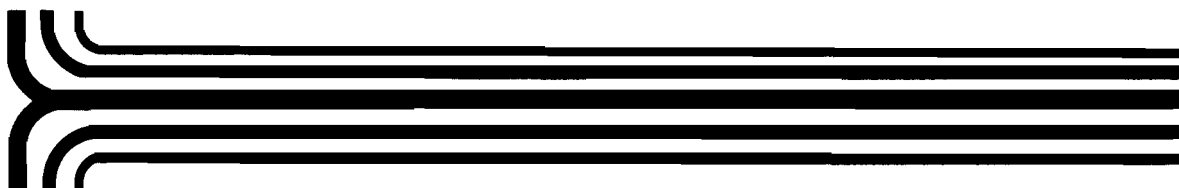


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Reference Book on Major Transnational Corporations Operating in Namibia



*Prepared by the United Nations Commissioner for Namibia
on behalf of the United Nations Council for Namibia*



United Nations
New York, 1985

NOTE

This Reference Book provides a detailed account of the activities of the transnational corporations operating in Namibia and their relations with parent corporations based in Europe, the United States of America, Canada and South Africa. It contains extensive analyses of the historical background and sectoral involvement of the corporations in the Namibian economy, labour practices, investment patterns, financial and statistical data, natural resources exploited, types of merchandise produced and services provided by these corporations. It also includes hitherto unavailable data concerning the management and operational activities of transnational corporations and other foreign economic interests which exploit the Namibian economy.

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PREFACE

The United Nations General Assembly, by its resolution 25/277 of 6 March 1981, requested the Secretary-General to prepare, in consultation with the United Nations Council for Namibia, a reference book on transnational corporations operating in Namibia. The resolution reiterated the position of the United Nations that the resources of Namibia were the inviolable heritage of the people of Namibia and that the exploitation of those resources by foreign economic interests under the protection of the colonial administration of South Africa in violation of the Charter of the United Nations, and the relevant resolutions of the General Assembly and Security Council and Decree No. 1 for the Protection of the Natural Resources of Namibia, was illegal and contributed to the maintenance of the illegal occupation régime in Namibia.

Pursuant to the above resolution, this Reference Book was prepared by the United Nations Commissioner for Namibia on behalf of the Council for Namibia and approved by the Council. The material contained herein was gathered on the basis of extensive research which was conducted in Western Europe, North America and southern Africa. The Book should serve once again to remind the Governments of States whose corporations, whether public or private, operate in Namibia and warn the corporations themselves of the illegal basis of their operations in Namibia and of the position of the United Nations that such corporations may be held liable in damages by the future Government of an independent Namibia.

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Explanatory notes

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

A space is used in tables to distinguish thousands and millions.

CURRENCY

£	United Kingdom pound sterling
\$	United States dollar
R	South Africa Rand
DM	Federal Republic of Germany Deutsche Mark
Fr	French franc
Pts	Spanish peseta

APPROXIMATE CURRENCY CONVERSION RATES (1982)

	<i>Per £1</i>	<i>Per \$1</i>
R	1.88	0.99
DM	4 23	2.26
Fr	10.87	5.72
Pts	185.44	97.55

MEASUREMENTS

To the extent editorially practical, physical parameters are expressed in metric, or International System (SI), units. Where, however, historical, engineering or technological practice demands, or where ambiguity exists in the data themselves, the units of the original source are retained.

1 tonne	= 0.9842 long tons (UK)
	1.1023 short tons (USA)
1 metric tonne	= 1,000 kg = 2,204.62 lb av
1 short ton	= 20 cwt of 100 lb = 2,000 lb av
1 long ton	= 20 cwt of 112 lb = 2,240 lb av
1 hectare	= 2.471 acres
1 barrel (petroleum):	159 litres = 42 US gallons = 35 Imp. gallons

ABBREVIATIONS

In addition to common abbreviations, symbols and terms, the following are used in this compendium:

ABECOR	Associated Banks of Europe Corporation
AECI	African European Chemical Industry
AG	Aktiengesellschaft
AMCOR	African Metal Corporation
ANAMINT	Anglo American Investment Trust
BANKORP	Bank Holding Corporation of South Africa
Barclays DCO	Barclays Dominions, Colonial and Overseas
BBi	Barclays Bank International Limited
b/d	barrels per day
B.P.	British Petroleum
Bpk	Beperk
CCSA	Christian Concern for Southern Africa
CDM	Consolidated Diamond Mines
CFP	Compagnie Française des Pétroles
CGF	Consolidated Gold Fields Limited
CGFA	Consolidated Gold Fields Australia
CGFSA	Consolidated Gold Fields of South Africa Ltd
CIIR	Catholic Institute for International Relations
CLB	Compagnie Luxembourgeoise de la Dresdner Bank AG
CRA	Conzinc Rio Tinto Australia
CSIR	Council for Scientific and Industrial Research
CSO	Central Selling Organization

DITRA	Diamond Purchasing and Trading Company
DPA	Diamond Producers Association
d.w.t.	dead weight tonnage
ELTSA	End Loans to South Africa
ESCOM	Electricity Supply Commission
FEDFOOD	Federale Foods
FedMynb	Federale Mynbou Beperk
FDC	Fishing Development Corporation
FOSKOR	Phosphate Development Corporation
FREDDIES	Free State Development and Investment Corporation
FVB	Federale Volksbeleggings Beperk
GASCOR	<i>Gas Development Corporation</i>
GDP	gross domestic product
GEC	General Electric Company
GEMFC	General Mining and Finance Corporation
GENCOR	General Mining Corporation
GFSA	Gold Fields of South Africa Ltd
IBD	International Business Development
IDC	Industrial Development Corporation
IMCOR	Industrial Mining Corporation
IMMCOR	Industrial Mineral Mining Corporation
IRRC	Investor Responsibility Research Center, Inc.
ICSEAF	International Conference on South East Atlantic Fisheries
ISCOR	Iron and Steel Corporation
JCI	Johannesburg Consolidated Investments
mbH	mit beschränkter Haftung
NATREF	National Petroleum Refiners
NAWU	Namibian Workers Union
N.V.	Naamloze Vernootschap
OFS	Orange Free State
OIL	Ovenstone Investments Limited
OMEG	Otavi Minen- und Eisenbahn-Gesellschaft
PLC	Public Limited Company
Pty	Proprietary
PVC	polyvinylchloride
RTZ	Rio Tinto-Zinc Corporation
SAA	South African Airways
SACC	South Africa Cable Company
SACTU	South African Congress of Trade Unions
SAFMARINE	South African Marine Corporation
SAICCOR	South African Industrial Cellulose Corporation
SAPRI	South African Paper and Pulp Industries
SARH	South African Railways and Harbours Corporation
SASOL	South African Coal, Oil and Gas Corporation
SEASWAS	Sea Products South West Africa Ltd
SENBANK	Central Merchant Bank
SICOVAM	Société Interprofessionnelle pour la Compensation des Valeurs Mobiliers
SMC	SASOL Marketing Corporation
SMMP	Société Minière et Métallurgique de Pennaroya
SOEKOR	Southern Oil Exploration Corporation
STANBIC	Standard Bank Investment Corporation Ltd
STEAG	Steinkohlen-Elektrizitäts Aktiengesellschaft
SWA	South West Africa
SWABANK	Bank of South West Africa
SWACO	South West Africa Company Ltd
SWAFIL	South West Africa Fishing Industries Limited
SWAKOR	South West Africa Oil Exploration Corporation
SWAPO	South West Africa People's Organization
SWAWEC	South West Africa Water and Electricity Supply Commission
TCL	Transvaal Consolidated Ltd <i>also</i> Tsumels Corporation Ltd
TCMN	Total Compagnie Minière et Nucleaire
TUNACOR	Tuna Corporation
UKAEA	United Kingdom Atomic Energy Authority
UNCTC	United Nations Centre for Transnational Corporations
UNICORP	Union Corporation Limited
USCO	Union Steel Corporation
UTA	Union des Transports Aériens

MINERALS

Ag:	Silver
Cu:	Copper
Pb:	Lead
Zn:	Zinc
V:	Vanadium

Glossary

affiliate	A business concern owned or controlled in whole or in part by another concern.
alloy	A substance having metallic properties composed of two or more chemical elements of which at least one is an elemental metal.
broker	An agent who buys and sells for a principal on a commission basis.
carbide	A cemented or compacted mixture of powdered carbon and heavy metals forming a hard material used in metal cutting tools.
catalyst	A substance capable of changing the rate of a reaction without itself undergoing any net change.
coal carbonization	The process of decomposing coal into solid or liquid gaseous products by heating in a reducing atmosphere.
concession	The act of conceding or yielding as a right; something conceded by a government or a controlling authority, for example, a grant of land, a lease, a privilege, or a franchise.
consolidate	To bring together separate parts into a single whole.
consortium	A combination of financial institutions for effecting some financial operation requiring large resources of capital, a form of economic union or association.
corporation	A registered business company, in this report firm and company are used interchangeably with corporation.
ferro alloy	Iron bearing or iron-related.
Gross Domestic Product	That part of the Gross National Product which remains after taking away the country's net income from abroad, a measure of the total income received for production carried out within the country, abbreviated GDP.
Gross National Product	The monetary value of the total annual output of final goods and services of a country, abbreviated GNP.
gross revenues	Gross revenue is the actual cash value received for the goods sold and services performed by a company. Also known as sales.
income before taxes	The amount left over after a business enterprise has paid for the cost of goods sold and its operating expenses. Or, the income before taxes is equal to the difference between sales (gross revenues), and the cost of goods sold and operating expenses.
joint venture	An association of companies formed to carry out a specific business project.
multinational corporation	A business enterprise which operates in two or more countries.
net income after taxes	Net income after taxes is the difference between income before taxes and the amount of income tax paid by the company.
non-ferrous	Containing no iron and not used in iron alloys.
parastatal	A government-owned corporation which operates as an autonomous entity.

reconnaissance	A preliminary survey for obtaining information about a region and its resources.
refractory	A place where metals of high melting point are reduced; a metal that resists heat or ordinary methods of reduction such as an ore.
sales	Sales is the actual cash value received for goods sold and services performed by a company. Also known as gross revenues.
shareholders equity	Shareholders equity is the value of the excess of a firm's assets over liabilities.
subsidiary company	A company whose controlling interest is owned by another company.
total assets	The total value of all current assets (cash on hand, accounts receivable, marketable securities, etc.) and fixed assets (including value of land, buildings, equipment owned, and long-term investments).

INTRODUCTION

1. Namibia is a vast, semi-arid Territory in the south-western part of Africa, bordered by the Atlantic Ocean on the west, Angola on the north, Zambia on the north-east, Botswana on the east and South Africa on the south. It has an area of 824, 269 square kilometres (318,261 square miles) and a population of approximately 1.5 million.

2. Namibia is endowed with abundant natural wealth including uranium, gem diamonds, copper, lead, zinc, manganese and other metals, as well as agricultural and fishery products. However, the Territory's human and natural resources are exclusively controlled by the illegal South African racist régime, which continues to receive support from western foreign economic, financial and other interests in the exploitation and plunder of Namibia's resources, and in the further entrenchment of its illegal and colonialist domination over the Territory. Consequently, Namibia's economy is profoundly distorted, with foreign corporations and other economic interests expropriating its wealth by reaping huge profits to the detriment of the people of Namibia.

3. The United Nations General Assembly, by its resolution 2145 (XXI) of 27 October 1966, terminated South Africa's mandate over Namibia. The international community has since repeatedly expressed its grave concern over, and condemned, the plunder of the Namibian wealth by South Africa and other foreign economic interests. More than a decade ago, by its resolution 283 (1970) of 27 July 1970, the Security Council called upon all States to discourage their nationals or companies of their nationality not under direct government control from investing or obtaining concessions in Namibia and, to that end, to withhold protection of such investments against claims of a future lawful Government of Namibia. Subsequently, the United Nations Council for Namibia, as the legal administering authority of Namibia until independence, enacted, on 27 September 1974, its Decree No. 1 for the Protection of the Natural Resources of Namibia, which was approved by General Assembly resolution 3295 (XXIX) of 27 September 1974. The Decree prohibits any person or entity, whether a body corporate or unincorporated, from searching for, prospecting for, exploring for, taking, extracting, mining, processing, refining, using, selling, exporting or distributing any natural resources, whether animal or mineral, situated or found to be situated within the territorial limits of Namibia without the consent and permission of the Council for Namibia.

Mandate and objectives

4. This Reference Book on Major Transnational Corporations Operating in Namibia has been prepared pursuant to General Assembly resolution 35/227 of 6 March 1981. That resolution also reiterated the position of the United Nations that the resources of Namibia were the inviolable heritage of the Namibian people and that the exploitation of those resources by foreign economic interests under the protection of a repressive racist colonial

administration of South Africa, in violation of the Charter of the United Nations, and the relevant resolutions of the General Assembly and Security Council and Decree No. 1 for the Protection of the Natural Resources of Namibia, was illegal and contributed to the maintenance of the illegal occupation régime in Namibia. Further, the General Assembly appealed to all Governments to discourage private investments from their countries from participating in business ventures in Namibia which, by making available additional resources, enabled the South African régime to finance the military costs of its repressive policies in the Territory.

5. The book deals with the transnational corporations based in Western Europe, the United States of America, Canada and South Africa. It presents a detailed analysis of the economic activities in Namibia of the corporations concerned and their subsidiaries, including, *inter alia*, facts regarding their extensive investments, assets, revenues, stocks, shareholder equities and management. It also indicates, to the extent possible, the collaboration which takes place between these foreign economic interests and the illegal occupation régime in Namibia.

6. It is the objective of this book to expose the extensive activities of those foreign corporations which exploit the Namibian resources and whose investments continue to support and consolidate the illegal South African occupation of Namibia. The book shows the magnitude of the illegal activities of those foreign economic interests in Namibia and should serve as a reminder for the Governments of States whose corporations, whether public or private, operate in Namibia, of the urgency of the adoption of appropriate measures, in conformity with the resolutions and decisions of the United Nations, to terminate the continuation of such investments and related activities. The book should also serve to warn, once again, the transnational corporations themselves of the illegal basis of their operations in Namibia and of the position of the United Nations that they may be held liable in damages by the future Government of an independent Namibia.

Organization of book

7. This book has been organized in three parts, namely, transnational corporations operating in Namibia based in Western Europe (Part One), the United States of America and Canada (Part Two) and South Africa (Part Three).

PART ONE: TRANSNATIONAL CORPORATIONS BASED IN WESTERN EUROPE

8. The Western European transnational corporations which operate or invest in Namibia represent some of the largest transnational corporations in the world. The corporations whose operations and/or investments are described in this section include two of the 10 largest mining corporations in the Western world, the Rio Tinto-Zinc

Corporation PLC and Consolidated Gold Fields PLC; two of the largest international banking companies, Barclays Bank PLC and Dresdner Bank AG; and two of the seven largest Western petroleum corporations, British Petroleum Company PLC and "Shell" Transport and Trading Company PLC, part of the Royal Dutch/Shell Group. The sectors in which these corporations are involved—mining, banking and petroleum—represent three of the most important areas of economic activity in Namibia. The available information on all the corporations engaged in these areas indicates that their operations directly assist, and are made possible by, the illegal administration and occupation régime of South Africa in Namibia.

9. The mining corporations prospect, mine and export Namibia's mineral resources free of any restrictions on their operations. They provide South Africa and Western European, North American and other Western States with large volumes of base metal and strategic minerals in violation of the relevant decisions and resolutions of the United Nations. All profits and revenues derived from the mining operations are taken away by those corporations. The international banking companies enable deposits and funds to be transferred into Namibia and profits to be repatriated out of Namibia with little or no controls to regulate such operations. The petroleum corporations, while providing petroleum products for civilian use, also provide petroleum to the South African Defence Forces operating in Namibia, directly assisting South Africa's illegal administration and occupation of the Territory.

10. The State in Western Europe with the largest number of transnational corporations operating or investing in Namibia is the United Kingdom, followed by the Federal Republic of Germany and France.

11. The transnational corporations based in Western Europe are particularly predominant in the mining industry of Namibia, dominated by the Rio Tinto-Zinc Corporation PLC and Consolidated Gold Fields PLC, both based in the United Kingdom. The information on the operations of Rio Tinto-Zinc indicates its extensive interest in developing the Rossing mine into the largest uranium mine in the world, and the contracts it secured with Western-based nuclear power companies. This section also describes the reported change in control of the Tsumeb Corporation, the largest base-metal mining corporation in Namibia, formerly owned and controlled by the North American mining corporations, which, for the first time since its formation in 1947, has become a majority shareholding of Consolidated Gold Fields, a Western European-based mining corporation.

12. The Western European petroleum corporations in Namibia comprise a number of operations and interests. Following the diversification by the major petroleum corporations into mining and other industrial interests during the 1970s, two of the three transnational petroleum corporations now have interests in prospecting and mining in addition to the supply of petroleum products.

PART TWO: TRANSNATIONAL CORPORATIONS BASED IN THE UNITED STATES AND CANADA

13. The most involved United States and Canada-based corporations operating in Namibia are Newmont Mining Corporation of the United States and Rio Algom Limited of Canada, both of which have shareholdings in mining operations in the Territory. Newmont Mining

Corporation has been investing in Namibia since the 1940s through the Tsumeb Corporation Limited. Amax Corporation of the United States also held extensive interests in Tsumeb until the end of 1982, when reportedly it sold its interests in Tsumeb to Gold Fields South Africa, a subsidiary of Consolidated Gold Fields PLC of the United Kingdom. Newmont was the largest shareholder in Tsumeb until 1982, when Gold Fields South Africa increased its interest in Tsumeb to more than 42 per cent following its acquisition of the rights and interests previously held by Amax Corporation. Newmont is now the second largest investor in Tsumeb. Newmont's investment in Tsumeb is particularly extensive because Tsumeb undertook an expansion of its investment in Namibia in 1980, through its purchase of a majority holding in Oamites Copper Mines. This investment, it should be noted, comes many years after the enactment of Decree No. 1 and is in direct contravention of it. Rio Algom's investment in Namibia is through its interest in Rossing Uranium, in which the Rio Tinto-Zinc Corporation (UK) is the largest single investor.

14. With regard to employment of Namibians, the low pay and gross disparities between compensation of black and white employees at Tsumeb Corporation has been particularly highlighted in this portion (Part Two) of the book. Additional information related to Rossing Uranium Limited can be found in the Western European section (Part One) of the book. The primary motivation of these corporations appears to be to extract large quantities of minerals and ship them out of the country at the lowest possible cost. This is a process that has been facilitated by the illegal South African occupation régime. While Tsumeb has over the years reaped large profits for its foreign investors, none of the wealth extracted from these mines has benefited the Namibian people.

15. Other transnational corporations based in the United States and Canada with operations in Namibia include Falconbridge Limited, Standard Oil Company of California and The Texaco Corporation (through Caltex Petroleum), Mobil Corporation and Hudson's Bay Company of Canada. While none of these corporations has large economic operations in Namibia, they do provide services that are instrumental to the exploitation of the Namibian mineral resources and to the entrenchment of the South African occupation of the Territory. The petroleum supplies, as already indicated, are vital for the military purposes of the South African régime in its continued illegal occupation of Namibia.

16. The final category of transnational corporations based in the United States and Canada which have been treated in this section concerns those that hold mineral concessions in Namibia, but that are not at this time exploiting them. Brilund Limited is the most dominant company in this category. Although Brilund is not registered in the United States, its major owners are United States-based. Its registration under Liechtenstein disguises it from reporting requirements of the American Securities and Exchange Commission and also facilitates its avoidance of United States taxes. Brilund holds extensive mineral rights to large portions of northern Namibia and is believed to have information on possible petroleum deposits in that area.

17. In recent years a number of other transnational corporations based in the United States and Canada have acquired mineral concessions in Namibia, primarily on a

speculative basis, but it would appear that most of these corporations are not eager to develop these concessions.

PART THREE: TRANSNATIONAL CORPORATIONS BASED IN SOUTH AFRICA

18. Among the South African-based corporations involved in Namibia, the largest investment comes from the Anglo American Corporation through its affiliate De Beers. De Beers controls the largest diamond mining company in the Territory, Consolidated Diamond Mines Limited (CDM). Other major South African companies in Namibia include Federale Volksbeleggings Bpk and two South African parastatals: the Iron and Steel Corporation (ISCOR) and the Industrial Development Corporation (IDC). Most of the South African-based corporations involved in Namibia, however, are interwoven with each other and with their subsidiaries through a complicated network of intermediate companies, minority or reciprocal shareholdings and overlapping directorates.

19. It has been difficult to obtain up-to-date and accurate statistics on the corporations based in South Africa. However, it is clear from the available data that investing in Namibia has been extremely profitable for such transnational corporations. From 1970 to 1973, for example, the net profits of Consolidated Diamond Mines Limited rose consistently, from R 33.8 million to R 96.5 million per year. In 1974, there was a drop to R 80.6 million, but the corporation still managed to pay out over R 30 million in dividends to its South African and overseas shareholders. In 1970, Consolidated Diamond Mines' profits constituted 44 per cent of the total net profits of its immediate parent, De Beers, while in 1974, despite the drop in earnings, CDM still contributed as high as 40 per cent of its profits to its parent.

20. In addition to Consolidated Diamond Mines, a number of smaller mines owned by the South African Government's Iron and Steel Corporation have been involved in the exploitation of the Namibian resources

and in supporting the South African economy. The Iron and Steel Corporation through subsidiaries owns two smaller lead zinc mines, Uis and Rosh Pinah. The Uis mine alone provides 60 per cent of ISCOR's tinplate needs.

21. In addition to investing in the mineral industries, South African-based corporations have also invested in a number of other important areas of the Namibian economy, including salt production. About half of the salt produced in Namibia comes from Salt and Chemicals (Pty.) Ltd., a corporation that is owned 50/50 by the Anglo American Corporation and Barlow Rand Corporation. As with supplies of tinplate, the majority of Namibia's salt production goes to South Africa to supply its growing industrial requirements.

22. South African corporate involvement in the Namibian fishing industry is also substantial. Four South African corporations control the fish processing industry in Namibia, namely South West Africa Fishing Industries, Kaap-Kunene, Marine Products and Ovenstone Investments. Although in recent years the fishing industry has been somewhat depressed as a result of overfishing and little regulation, there are indications that the industry is beginning to grow again. The South African companies, through their almost total control over this industry, have drawn large profits from it.

23. This book demonstrates the awesome power of the transnational corporations and other foreign economic interests operating in Namibia, whose investments and activities are depleting the natural wealth and resources of the Territory at an alarming rate. The depletive exploitation of the natural resources and continued accumulation and repatriation of huge profits by these foreign economic interests are being carried out to the complete detriment of Namibia, its people and environmental assets. No Western European or North American country has adopted any policy to prevent its transnational corporations from operating in Namibia while South Africa's illegal occupation continues. Furthermore, their continued collaboration with and support for the entrenchment of South Africa's illegal occupation of Namibia constitute a major obstacle to its political independence.

Part One
TRANSNATIONAL CORPORATIONS
BASED IN WESTERN EUROPE

I. BARCLAYS BANK PLC

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A. PARENT CORPORATION, UNITED KINGDOM

1. Background

<i>Name of parent:</i>	Barclays Bank PLC.
<i>Namibian subsidiary:</i>	Operations in Namibia are conducted through Barclays National Bank Limited of South Africa.
<i>Registered office:</i>	54 Lombard Street, London EC3P 3AH, United Kingdom.
<i>Telephone number:</i>	01-625 1567.
<i>Date incorporated:</i>	1896. (Formation of Barclays and Company Ltd., renamed Barclays Bank Ltd. in 1917.) ¹
<i>Rank by assets in field of operation:</i>	Sixth in the world as a bank ² (at 31 December 1981).
<i>Total number of employees:</i>	Approximately 130,000. (76,000 in United Kingdom, 54,000 in offices abroad.) ³
<i>Total number of shareholders:</i>	122,092. ⁴
<i>Shareholder information:</i>	Barclays Bank PLC has a 100 per cent interest in 27 subsidiary companies under the Barclays group name (direct interest in ten) and an interest of 50 per cent or above in 12 of its subsidiary and associated companies incorporated in countries around the world. Main shareholders in parent are: individuals (26 per cent of shares), companies (21 per cent) and nominee companies (29 per cent). ⁵

2. Operations

1. The present Lombard Street head office of Barclays Bank PLC has been the site of a bank since 1692. By the

mid-1890s the Lombard Street bank had developed into the company of Messrs. Barclay, Bevan, Tritton, Ransom, Bouverie and Co. In 1896 a number of other London and United Kingdom banks joined the company to form the joint-stock bank of Barclay and Company Limited.⁶

2. Since that time the Bank has "pursued a policy of decentralisation" through its offices in the United Kingdom and overseas.⁷ During the course of its development and expansion the Bank, renamed Barclays Bank Limited in 1917, which became Barclays Bank PLC in 1981, has become the parent of the largest United Kingdom-based banking group, with deposits exceeding £42,800 million (year ending 1981) and over 5,300 offices in more than 80 countries.⁸ For the ten-year period 1971 to 1981 the Bank expanded the value of its total assets from £7,316 million to £48,752 million.⁹

3. Barclays Bank PLC is the parent company of the Barclays group, which comprises four wholly owned subsidiary companies: Barclays Bank U.K. Limited, Barclays Bank International Limited, Barclays Bank Trust Co. Limited and Barclays Merchant Bank Limited. Barclays Bank International Limited (BBI) was formed in 1971 from the former company of Barclays Dominion, Colonial and Overseas (DCO) and assumed the overseas business of the Bank. The change in structure was followed by a process of transferring business in a number of countries to locally incorporated banks. The largest of the newly incorporated companies was Barclays National Bank Limited, which took over the business of BBI Ltd. (formerly DCO) in South Africa and Namibia.¹⁰

4. During the late 1970s the Bank expanded its business in Asia, Australasia and Latin America (opening offices in Brazil in 1979 and Colombia in 1980). The major expansion has been in the United States, where by 1981 the Bank had over 600 offices in 36 states.¹¹

3. Structure of corporation

5. The business of Barclays Bank PLC is conducted through its four wholly owned subsidiary companies, each of which is incorporated in the United Kingdom (listed in table 1). The international subsidiary of these four companies is Barclays Bank International Limited, which conducts business through offices in southern Africa (over 1,000), North America (over 600), the rest of Africa (over 300), Europe and the Mediterranean (210), Caribbean and Latin America (106), Australia and the Pacific (35) and Asia (26). A further 30 branches of the Bank are located in the United Kingdom. Excluding South Africa and Namibia, the next largest proportions of the Bank's external deposits and other accounts are located in Europe and the Mediterranean (14 per cent) and North America (11 per cent).¹²

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES OF
BARCLAY'S BANK PLC¹³

<i>Subsidiary (all wholly owned)</i>	<i>Total assets (1982) (in millions of pounds (£))</i>
Barclays Bank U.K. Limited (3,000 domestic banking branches and 35 local head offices in England)	19 327
Barclays Bank International Limited (has 30 principal subsidiary and associated com- panies; of these it holds a controlling interest of 60 to 100 per cent in 15 and has more than 2,000 branches in over 80 countries)	35 271

Barclays Bank Trust Company Limited (35 trust administration, investment management and taxation offices in the United Kingdom) .	588 (with other U.K.-based companies)
Barclays Merchant Bank Limited (Corporate advice, medium-term finance, and spe- cial industrial services)	818

4. Economic information

6. The nature of Barclays Bank PLC involvement in Namibia is banking. Table 2 summarizes its financial status from 1966 to 1982.

TABLE 2. FINANCIAL SUMMARY, BARCLAYS BANK PLC¹⁴
(Millions of pounds sterling (£))

	<i>Termination of mandate 1966</i>	<i>ICJ advisory opinion 1971</i>	<i>United Nations Decree No. 1 1974</i>	<i>1978</i>	<i>1981</i>	<i>1982</i>
Total assets	4 077	7 884	14 198	23 884	48 752	59 046
Gross revenues ^a	-	98.4	165.7	392.5	616.3	561.9
Income before taxes ^b	-	91.1	158.1	373.3	566.6	495.2
Taxes	-	41.0	78.4	135.5	105.2	131.2
Foreign		(10.0)	(26.5)	(37.5)	(54.4)	(51.9)
Domestic ^c		(28.0)	(48.6)	(73.5)	(49.7)	(56.8)
Other		(3.0)	(3.3)	(24.5)	(1.1)	(22.5)
Net income after taxes ^d	16.3	50.1	79.7	237.8	461.4	364.0
Current, deposit and other accounts	-	-	-	-	45 406	54 842

^aGross revenues expressed in the form of total Group profits.

^bNet income expressed as profit before tax.

^cAfter relief for overseas taxation.

^dNet income expressed as profit after tax, but before extraordinary items.

B. BARCLAYS NATIONAL BANK LTD, NAMIBIA

1. Basic data and operations

<i>Name of subsidiary:</i>	Barclays National Bank Limited. (The Bank's operations in Namibia are conducted as a local board of Barclays National Bank Ltd., Market Street, Johannesburg, South Africa.)						
<i>Address in Namibia:</i>	Local Head Office, P.O. Box 195, Kaiser Street, Windhoek.						
<i>Telephone number:</i>	Windhoek 37600.						
<i>Date established:</i>	About 1925. (Business conducted through Barclays Dominion, Colonial and Overseas until Barclays National Bank was formed in South Africa in 1971.)						
<i>Common stock:</i>	Issued capital of 53,234,011 ordinary shares of one rand each.						
<i>Number of shareholders:</i>	Approximately 12,000, holding a balance of 19.3 million shares.						
<i>Shareholders of subsidiary:¹⁵</i>	<table> <tr> <th><i>Company</i></th><th><i>Percentage held</i></th></tr> <tr> <td>Barclays National Investments (Proprietary) Limited^a (U.K.)</td><td>58.03</td></tr> <tr> <td>Anglo American and De Beers groups of companies (South Africa) ...</td><td>18.0 (approx.)</td></tr> </table>	<i>Company</i>	<i>Percentage held</i>	Barclays National Investments (Proprietary) Limited ^a (U.K.)	58.03	Anglo American and De Beers groups of companies (South Africa) ...	18.0 (approx.)
<i>Company</i>	<i>Percentage held</i>						
Barclays National Investments (Proprietary) Limited ^a (U.K.)	58.03						
Anglo American and De Beers groups of companies (South Africa) ...	18.0 (approx.)						

^aBarclays National Investments (Pty.) Ltd. is the immediate holding company of Barclays National Bank Ltd., and is a wholly owned subsidiary of Barclays Bank International Ltd. (U.K.).

7. The banking operations of Barclays in Namibia date back to 1925, when Barclays Bank Limited (U.K.), through its shareholding in the Colonial Bank, merged several overseas banking companies, which included the National Bank of South Africa, to form Barclays Dominion, Colonial and Overseas (DCO).¹⁶ Between 1925 and 1971, Barclays business in Namibia was conducted through Barclays DCO. With the formation of Barclays Bank International Limited in 1971, which took over the operations of Barclays DCO, responsibility for its business in South Africa and Namibia was designated to the newly formed subsidiary of Barclays National Bank Limited incorporated in South Africa.¹⁷ The bank's business in Namibia is therefore conducted as part of its operations in South Africa. No distinction is made by Barclays National Bank between its local boards in South Africa and the local board in Namibia.

8. The business of Barclays National Bank is conducted through Barclays National Investments Proprietary Limited, its immediate holding company, which is a wholly owned subsidiary of Barclays Bank International and incorporated in the United Kingdom. In 1981 the interest of Barclays National Investments (Pty.) Ltd. in Barclays National was reduced from 60.03 per cent to 58.03 per cent.¹⁸ As a result of the South African Bank Amendment Act of 1974, Barclays International is required to reduce its holding in Barclays National to 50 per cent by 1985.¹⁹

9. In 1982 Barclays National Bank operated approximately 33 branches throughout Namibia (approximately 1,050 in South Africa). In addition to normal clearing bank services, two branches in Windhoek also provide hire purchase, leasing and insurance facilities.²⁰

2. Economic information and banking activity

10. Operations commenced about 1925, operating under the name of Barclays DCO until 1971 when Barclays

National Bank Ltd. was formed. Table 3 summarizes its recent financial status. There is no economic information on Barclays National prior to 1972.

TABLE 3. FINANCIAL SUMMARY, BARCLAYS NATIONAL BANK LTD.²¹
(Millions of SA rand)

Economic data ^a	1972	United Nations Decree No. 1 1974	1978	1981	1982
Total assets	2 006	2 934	5 691	10 795	13 132
Income before taxes	24.7	36.7	68.3	124.6	152.5
Taxes	10.6	13.3	26.8	44.1	39.4
Deferred tax and adjustments	-	-	4.6	-	11.6
Net income after taxes	14.1	23.6	36.8	80.5	101.4
Current deposits and other accounts	1 467	2 108	3 890	7 172	9 239

NOTE: Figures before 1981 are for the year ending 30 September and for 1981 and 1982 for the year ending 31 December.

^a For the operations of Barclays National Bank Limited in South Africa and Namibia combined.

11. Barclays National Bank Limited is the largest of the six banking companies operating in Namibia. Through its branches Barclays National held over 50 per cent of the total Namibian bank deposits, estimated as R 375 million, at the end of 1980,²² and over 50 per cent of the total deposits, estimated as R 415 million, at the end of 1981.²³ In geographic terms the value of accounts in Namibia and South Africa combined represented 16.9 per cent and 15.6 per cent of the total accounts of Barclays Bank International for 1980 and 1981 respectively, making Namibia and South Africa, by area, the largest external contributor to the accounts of Barclays International.²⁴

12. In 1976 Barclays National Bank became directly associated with the illegal occupation and military operations of South Africa in Namibia through the purchase of R 10.0 million (£6.6 million) of South African Defence Bonds.²⁵ The bonds were issued by the South African Government to help finance its military forces operating in Namibia. The value of the acquisition represented the largest single purchase of the Defence Bonds.²⁶ As a result of the criticism that followed, which included a meeting on the matter between the Foreign Office of the United Kingdom Government and a senior representative from the board of Barclays Bank International, the bonds were sold at the earliest opportunity, in December 1977.²⁷

13. As a result of its operations in Namibia, Barclays National Bank published a number of advertisements during 1980 and 1981 in *Paratus*, the official journal of the South African Defence Force.²⁸ These were directed at South African forces doing service in Namibia, as well as its forces in South Africa. The main headings for two of the advertisements asked: "Barclays—Why does a National Serviceman need a bank?" and "The Soldiers Bank. Money. What do you do with yours?—Barclays."²⁹ A similar advertisement also publicized the decision of Barclays National Bank to open a branch office in Ondangwa, in northern Namibia, less than 60 kilometres from the border with Angola, where one of the largest South African military bases is located.³⁰

14. As no distinction is made by Barclays National Bank between its local board in Namibia and its local boards in South Africa, and it therefore conducts its business in Namibia as an integral part of its South African operations, the Bank facilitates the transfer of deposits and profits from the Territory to South Africa. The Secretary of

SWAPO for Publicity and Information in London stated in 1975 that "The relationship of Barclays Bank with other foreign investors in Namibia facilitates their operations, the transfer of their profits and the payment of taxes to the South African régime. SWAPO regards Barclays Bank as one of those foreign investors in our country whose effect is to shore up the illegal South African occupation of Namibia."³¹ After six more years of South Africa's illegal administration and occupation of Namibia, under which Barclays continued to operate, a further statement from SWAPO in 1981 concluded that "SWAPO insists that the withdrawal of Barclays from our country and the cessation of its activities in South Africa would hasten the achievement of peace and justice in Namibia and southern Africa as a whole".³² In 1978, 15 per cent of Barclays deposits in Namibia were transferred to South Africa.³³

3. Employment conditions

15. Its employees number approximately 19,800 (1981), i.e., for Barclays National Bank's operations in South Africa and Namibia combined. The employment breakdown is as follows:

Year	White	Coloured	Black
1967	-	(53 non-European ³⁴ clerical staff)	
1975 ³⁵	13 334	1 405	2 157
1977 ³⁶	13 183	1 725	2 289
		(1 912 non-European ³⁷ clerical staff and 2 102 non-European non-clerical staff)	

16. There is little information available in regard to employment conditions provided by Barclays National in Namibia. At a meeting with a delegation of the Council for Namibia in 1982, the Senior General Manager of Barclays Bank International Limited commented that while the Bank operated in what it considered to be its own best interests, it tried to ensure that the branches of Barclays in Namibia were staffed by a substantial number of Namibian employees.³⁸

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* Source material referred to in Annex I.

II. BRITISH PETROLEUM COMPANY PLC

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A. PARENT CORPORATION, UNITED KINGDOM

1. Background

<i>Name of parent:</i>	British Petroleum Company PLC.
<i>Namibian subsidiary:</i>	Operations in Namibia are conducted through the interests of a wholly owned subsidiary in Tsumeb Corporation Ltd. Operations also include the supply and marketing of petroleum.
<i>Registered office:</i>	Britannic House, Moor Lane, London EC2Y 9BU, United Kingdom.
<i>Telephone number:</i>	01-920 8000.
<i>Date incorporated:</i>	Registered 1909 as Anglo-Persian Oil Co. Ltd, name changed 1935 to Anglo-Iranian Oil Co. Ltd, present name adopted 1954. ¹
<i>Rank by assets in field operation:</i>	Third in the world as an international petroleum company. Largest industrial company in the United Kingdom. ²
<i>Total number of employees:</i>	143,350. ³ (33,800 in United Kingdom; 4,000 in oil tanker fleets; 105,550 in operations abroad.)
<i>Total number of shareholders:</i>	268,150. ⁴ (Total 25p ordinary shares held: 1,816.6 million.)
<i>Shareholder information:</i>	British Petroleum Company PLC has a 100 per cent interest in 51 of its 64 major subsidiary companies, of which 21 are directly held subsidiaries. ⁵ The United Kingdom Government has a 26 per cent interest in British Petroleum PLC, which was reduced from 50 per cent to 31 per cent in 1977 and to 26 per cent in 1979. The state bank of the United Kingdom Bank of England has a further 20 per cent interest. ⁶

2. Operations

1. The British Petroleum Company PLC (B.P.) was originally incorporated in 1909 as the Anglo-Persian Oil

Company to develop the first commercial discovery of oil in the Middle East. In 1914 the United Kingdom Government purchased a 50 per cent interest in the company to secure oil supplies to the British Royal Navy.⁷ Although its name was changed in 1935 to the Anglo-Iranian Oil Company Ltd, the operations of the company were mainly based on the supply of crude oil from the Middle East to the United Kingdom, which continued up to the outbreak of war in Europe in 1939.⁸

2. The formation of the Iranian Oil Consortium in 1951 caused an interruption in the company's oil operations in Iran and resulted in a search for new sources of crude oil which could be developed. After changing its name to the British Petroleum Company Ltd in 1954, a network of refineries and distribution centres was established in Western Europe and, excluding the United States and South America, marketing activities were expanded in a number of countries, most notably Canada, New Zealand and South Africa.⁹

3. In 1958, B.P.'s first major source of new crude oil commenced production in Nigeria, which was followed in 1962 by the first supplies of oil from offshore operations in Abu Dhabi.¹⁰ Other major oil operations undertaken by B.P. during the 1960s included the development of oil in Libya in 1967 (together with United States interests led by Bunker Hunt) and in 1969 the discovery of oil in the North Slope of Alaska.¹¹ In the same year B.P. acquired supplies of crude oil in the United States, together with the entire marketing assets and refineries of the Atlantic Richfield/Sinclair group.¹² These acquisitions provided B.P. with the resources necessary to make a major entry into the oil industry in the United States. As a result the assets acquired in 1969 were merged with Standard Oil Company of Ohio (Sohio) in which B.P. acquired a 25 per cent interest in 1970.¹³ The interests of B.P. in Sohio were increased to 53 per cent when oil from the merged company's operations in Alaska reached an agreed level of production in 1979.¹⁴ Since that date Sohio has been the subsidiary company through which B.P. has conducted its operations in North America. In regard to operations in its home base of the United Kingdom, B.P. became the first company to discover natural gas and commercial quantities of oil in the North Sea during 1965 and 1970 respectively.¹⁵

4. During the 1970s B.P. began to diversify its interests beyond its traditional operations in the production and supply of oil and gas. These included coal, through the formation of B.P. Coal in 1974, which by 1978 resulted in the B.P. group becoming the eighth largest private-sector coal producer in the world; minerals, through the formation of a minerals department in 1976; chemicals and plastics, which by 1979 had developed into a world-wide marketing and manufacturing operation; marine engineering and deep-sea diving; and animal nutrition.¹⁶ In 1980 and 1981 respectively, B.P. expanded its minerals and mining interests through the acquisition of the United Kingdom based Selection Trust PLC¹⁷ and, through Sohio, the United States

based Kennecott Corporation, both of which were international mining companies.¹⁸ As a result of its diversified interests, the B.P. group was reorganized in 1981 into several international businesses, of which B.P. Oil International, Sohio, B.P. Coal and B.P. Minerals International are four.

5. Although expanding, the company's oil operations suffered a set-back in 1971 when the Government of Libya nationalized the B.P. group's 50 per cent interest in a major oil concession which up to that date had produced 9.2 million tons for the group.¹⁹ Ten years later, in 1981, B.P. signed an agreement with the Nigerian Petroleum Corporation, which concluded the nationalization in 1979 of B.P.'s exploration, production and marketing assets in Nigeria.²⁰

6. In 1982 the volume of crude oil produced and purchased by B.P. averaged 2,433 million barrels per day (b/d), of which an average of approximately 471,000 b/d was produced from its operations in the North Sea and 773,000 b/d was produced by Sohio.²¹ On the basis of this production, B.P. supplies approximately 15 per cent of the oil products consumed by the European Economic Community (excluding Italy).²² In regard to refining, transportation and sales of petroleum, B.P. operates or has interests in over 38 refineries around the world and with Sohio maintains a shipping fleet of approximately 70 ships totalling over 9 million deadweight tons.²³ Oil products produced by B.P. are sold in over 35 countries in Western Europe (which accounts for more than half the group's volume of product sales), North America, Africa, the Middle and Far East and Australasia.²⁴ The operations of B.P. in non-petroleum and gas industries in 1982 resulted in sales of 21.3 million tonnes of coal, 4.4 million tonnes of chemical products and minerals proceeds of £1,228 million.²⁵

7. In 1982 B.P. was the fifth largest industrial corporation in the world and, on the basis of total assets, the second largest industrial company with headquarters outside the United States.²⁶ B.P. claims to be the largest industrial company in the United Kingdom and through its 1,900 subsidiary and associated companies operates in approximately 70 countries.²⁷ Approximately 32 per cent of the group's properties (excluding the interests of outside shareholders in Sohio) are located in the United States.²⁸ At the end of 1982 the available resources of B.P. included 4,680 million barrels crude oil, 297.2 billion cubic metres (10,496 x 10⁹ cu. ft.) of natural gas and considerable reserves of coal.²⁹

8. The 50 per cent interest of the United Kingdom Government in B.P. was reduced to 31 per cent and to 26 per cent in 1977 and 1979 respectively.³⁰ The Bank of England has a further 20 per cent interest. The United Kingdom Government's relationship with B.P. is maintained through its right to appoint two directors to the B.P. board. Since acquiring its 50 per cent interest in 1914, however, the United Kingdom Government has permitted the company to operate as a private enterprise and has pursued a policy of non-interference. The decision of the Government to reduce its majority shareholding in B.P. by 20 per cent in 1977 came at a time when the United Kingdom Government was facing international criticism following allegations of oil sanctions

violations by Western-based oil companies including B.P., in maintaining supplies of petroleum to the white minority régime in Southern Rhodesia, now Zimbabwe.

3. Structure of corporation

9. The international operations of the British Petroleum Company PLC (B.P.) are conducted through 11 major subsidiary companies, of which 10 are incorporated in the United Kingdom and 1 in the United States.³¹ The 11 subsidiary companies (listed in table 1) each operate as international businesses and conduct the operations of the other subsidiary and related companies of the B.P. group and are as follows: B.P. Oil International (oil supply, trading and marketing); B.P. Exploration (oil and gas exploration and production); B.P. Minerals International (mineral exploration and mining, includes Selection Trust PLC); B.P. Coal (production and marketing of coal); B.P. Chemicals International (manufacture and marketing of chemicals and plastics); B.P. Gas (supply, processing and distribution of gas); Sohio (oil exploration and production, chemicals, minerals and coal operations in the United States); B.P. Nutrition (animal feed, fish farming, poultry breeding); B.P. Detergents (manufacture and marketing of detergents); Scicon International (technology development); and B.P. International (co-ordination and control of B.P. corporate operations).

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, BRITISH PETROLEUM COMPANY PLC³²

Subsidiary	Percentage owned by parent	Total assets ^a 1982 (in £, millions)
B.P. Oil International (United Kingdom)	100	4 754
B.P. Exploration (United Kingdom)	100	2 471
B.P. Minerals International (United Kingdom)	100	581
B.P. Coal (United Kingdom)	100	382
B.P. Chemicals International (United Kingdom)	100	1 032
B.P. Gas (United Kingdom) ^b	100	—
Sohio (United States)	53	9 074
B.P. Detergents	—	—
B.P. Nutrition (United Kingdom)	100	169
Scicon International (United Kingdom)	100	3
B.P. International (United Kingdom)	100	—

^a Figures expressed are for capital employed as figures for total assets are not available.

^b Figures for B.P. Gas are included with those for B.P. Exploration on the basis that B.P. claims the activities of both businesses are often combined.

4. Economic information

10. The nature of the British Petroleum Company PLC involvement in Namibia is (1) mining (interests in production of base metals) and (2) petroleum (marketing and distribution). Table 2 summarizes its financial status from 1966 to 1982.

TABLE 2. FINANCIAL SUMMARY, BRITISH PETROLEUM COMPANY PLC³³

(Millions of pounds sterling (£))

<i>Economic data</i>	<i>Termination of mandate 1966</i>	<i>ICJ advisory opinion 1971</i>	<i>United Nations Decree No 1 1974</i>	1978	1981	1982
Total assets	1 309	2 507	4 338	9 687	17 754	—
Gross revenues ^a	1 453	3 194	9 479	17 784	31 399	35 294
Income before taxes	228.2	700	2 272	2 225	2 432	2 305
Taxes ^b	148.8	545	1 771	1 633	811	1 103
Foreign	(148.4)	(545)	(1 748)	(1 108)	(833)	(1 006)
Domestic	(0.4)	—	(23)	(525)	(22)	(97)
Income after taxes	79.4	155	501	592	1 621	1 202
Adjustments	-0.3	-6	-14	-148	-603	-490
Net income after taxes ^c	79.1	149	487	444	1 018	712
Long-term debt	187	389	487	2 676	2 788	3 388

^a Gross revenues expressed as total of sales proceeds, operating revenue and other income before deduction of customs duties and sales taxes.

^b Figures for low amounts of domestic taxation paid to the United Kingdom reflect deductions for overseas tax relief.

^c Net income after taxation is expressed as income after deductions for minority shareholders' interests and extraordinary items.

5. *Subsidiary companies in Namibia*

11. The operations of B.P. Ltd in Namibia are based upon its interests in two areas of activity: the production of base metals and the marketing and distribution of petroleum products. In addition to these operations, B.P. has previously been engaged in a programme of oil exploration in Namibia's territorial waters and inland. The programme commenced in 1968 and continued to about 1972.³⁴ On the basis of its 53 per cent interest in its United States based subsidiary, Sohio, B.P. also has an indirect interest in the operations of Kennecott Corporation, the wholly owned American subsidiary of Sohio. On acquiring Kennecott in 1981, Sohio obtained control of two subsidiary companies established by Kennecott to undertake exploration activities in Namibia. These are Kennecott SWA (Pty) Ltd and Kennecott Exploration (SWA) Ltd.³⁵ Information regarding the extent of exploration activities and other operations of Kennecott in Namibia remains unclear.

12. The information in the following sections, therefore, indicates the current operations and investments of B.P. in the production of Namibian base metals, through its wholly owned subsidiary Selection Trust PLC which it acquired in 1980 and which is the operating company for its world-wide minerals activities, and in the marketing of petroleum products in Namibia through Shell and B.P. South African Petroleum Refineries (Pty) Ltd, in which B.P. has a 50 per cent interest, and B.P. Southern Africa, a wholly owned subsidiary.

B. TSUMEB CORPORATION LTD, NAMIBIA

Name of subsidiary: Tsumeb Corporation Limited. (The involvement of B.P. Ltd is through its wholly owned, United Kingdom based, subsidiary Selection Trust PLC, which in 1983 held a 14.25 per cent interest in Tsumeb.)

Addresses for Namibia: (a) Box 40, Tsumeb, 9000, Namibia.³⁶
(b) Office of Managing Director, 1714 Main Tower, Heerengracht, Cape Town, South Africa.³⁷

Telephone number:

Tsumeb 3061.

Date established:

Incorporated 1947.³⁸

Common stocks:

Issued capital of 4,200,000 shares of R.50 cents each; 4,000,000 shares issued and fully paid at 31 December 1981.³⁹

*Shareholders of subsidiary:*⁴⁰

<i>Company</i>	<i>Percentage held</i>
Gold Fields of South Africa Ltd (South Africa)	42.3
Newmont Mining Corporation (United States)	30.4
Selection Trust PLC (United Kingdom)	14.25
O'okiep Copper Company Ltd ^a (South Africa)	4.87

^a O'okiep Copper Company Ltd is a 57.5 per cent owned subsidiary of Newmont Mining Corporation.

13. Tsumeb Corporation Ltd was formed in 1947 by a consortium of United States, United Kingdom and South African based mining companies, who acquired from the Custodian of Enemy Property in South Africa the property and operations, excluding investments, cash and debtors, of the former German company Otavi Minen und Eisenbahn Gesellschaft (Otavi Mines and Railway Company) for approximately £1,010,000.⁴⁷ The Tsumeb Corporation's name was derived from the Tsumeb copper-lead-zinc mine, which had been operated almost continuously by the German controlled company from 1908 to 1939.

14. The major mining companies which formed the consortium and in 1983 comprised the major shareholders of the Tsumeb Corporation are Newmont Mining Corporation (United States), Gold Fields South Africa (United Kingdom), Selection Trust PLC, B.P.'s wholly owned subsidiary (United Kingdom), O'okiep Copper Company Ltd (South Africa) and three other United Kingdom and South African based mining companies.⁴⁸ The mining properties of Tsumeb are mainly located in the Grootfontein District of Namibia and in 1982 held approximately 1,788 hectares of mining rights and 24,220 hectares of horticultural and grazing land.⁴⁹ In 1976 the register for prospecting and

claims in Windhoek indicated that Tsumeb Corporation Ltd had registered 43 claims in the districts of Grootfontein, Rehoboth and Windhoek in addition to two exclusive prospecting grants for all minerals on agricultural property in the districts of Keetmanshoop and Okahandja.⁵⁰ The base metal mines operated by Tsumeb Corporation Ltd in 1983 are as follows:⁵¹

Tsumeb mine (copper-lead-zinc): Commenced operations approximately 1908; continued after formation of Tsumeb Corporation in 1947.

Kombat mine (copper-lead): Commenced 1962; suspended 1976; resumed 1978.

Matchless mine (copper-pyrite): Commenced 1970; suspended 1972; resumed 1973.

Otiijase mine (copper): Commenced 1976; suspended 1977; resumed 1980.

Asis Ost mine (copper): Commenced 1974; suspended 1976.

Asis West mine (copper-lead): Commenced approximately 1978.

Also: Tschudi prospect (copper-silver): Development work suspended about 1981.

15. At a meeting with a delegation from the United Nations Council for Namibia in 1982, the Managing Director of British Petroleum with responsibility for the company's operations in Africa stated that although he considered B.P.'s involvement in the Tsumeb Corporation to be an indirect one, through its acquisition of Selection Trust, he did not consider that withdrawal from the Territory would serve any useful purpose.⁵² In his opinion, closing the operations of the Tsumeb Corporation would result in laying off 5,000 Namibian workers.⁵³

16. For further information concerning the Tsumeb Corporation in Namibia, see under Newmont Mining Corporation.

C. SHELL AND B.P. SOUTH AFRICAN PETROLEUM REFINERIES (PTY) LTD, AND B.P. SOUTHERN AFRICA

Names of subsidiaries: (a) Shell and B.P. South African Petroleum Refineries (Pty) Ltd.

(b) B.P. Southern Africa. (The petroleum supplied by B.P. in Namibia is refined, marketed and distributed through the above subsidiaries.)

Addresses for Namibia: (a) P.O. Box 3179, Durban, South Africa.⁴¹

(b) B.P. Centre, Thibault Square, Cape Town, South Africa.⁴²

Date established: (a) 1960.⁴³
(b) About 1973.⁴⁴

Common stocks: (a) Total issued capital of 3,750,000 A and 3,750,000 B shares of R 2 each.⁴⁵

*Shareholders of subsidiaries:*⁴⁶

Company	Percentage held
(a) British Petroleum Company PLC (United Kingdom)	50
Shell Transport and Trading Company PLC (United Kingdom)	50
(b) British Petroleum Company PLC (United Kingdom)	100

17. The petroleum marketed in Namibia by British Petroleum is refined by Shell and B.P. South African Petroleum Refineries (Pty) Ltd and distributed in Namibia through the operations of B.P. Southern Africa. Shell and B.P. South African Petroleum Refineries (Pty) Ltd was incorporated in 1960 and is a company jointly operated by British Petroleum Company PLC and the United Kingdom based Shell Transport and Trading Company PLC, the petroleum and trading company of the Royal Dutch/Shell Group, both of which have a 50 per cent interest.⁵⁴ The refinery operated by the company is located in Durban, South Africa, and commenced production in 1963.⁵⁵ In 1980 the refinery capacity averaged 73 million barrels of oil.⁵⁶ No economic data are available for Shell and B.P. South African Petroleum Refineries (Pty) Ltd.

18. B.P. Southern Africa was established about 1973 and is responsible for the oil marketing operations of British Petroleum Company PLC in South Africa and Namibia. As a wholly owned subsidiary of B.P., B.P. Southern Africa owns the 50 per cent interest of its parent in Shell and B.P. South African Petroleum Refineries (Pty) Ltd and is responsible for B.P.'s management of the refinery.⁵⁷ In 1982, B.P. Southern Africa operated approximately 900 petroleum retail outlets and 75 depots and other distribution points in South Africa and Namibia.⁵⁸ No separate figures are available for its retail outlets and operations in Namibia. No economic data are available for B. P. Southern Africa.

19. At a meeting with a delegation from the United Nations Council for Namibia in 1982, the Managing Director of British Petroleum with responsibility for the company's operations in Africa stated that, in regard to Namibia, B.P. had only a small petroleum marketing business in the Territory. This consisted of a chain of petrol stations which in 1982 employed approximately 150 people.⁵⁹ No information is available on employment breakdown, wages and salaries, or employment conditions.⁶⁰

20. In addition to providing petroleum for civil transportation, however, petroleum marketed by B.P. in Namibia is also used to fuel the military vehicles of the illegally occupying South African armed forces, which operate throughout the Territory.

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III. COMMERCIAL UNION ASSURANCE COMPANY PLC

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A. PARENT CORPORATION, UNITED KINGDOM

1. Background

<i>Name of parent:</i>	Commercial Union Assurance Company PLC.
<i>Namibian subsidiary:</i>	Operations in Namibia are conducted through Commercial Union Assurance Company of South Africa Ltd.
<i>Registered office:</i>	St. Helen's, 1 Undershaft, London EC3 3DQ, United Kingdom.
<i>Telephone number:</i>	01-283 7500.
<i>Date incorporated:</i>	Founded 1861. ¹
<i>Rank by assets in field of operation:</i>	Second as non-life insurance company in the United Kingdom, based on premium income; fourth as life insurance company in the United Kingdom, based on life funds. ²
<i>Total number of employees:</i>	22,355. ³ (7,954 in United Kingdom, 14,411 in offices abroad.)
<i>Total number of shareholders:</i>	76,481. ⁴
<i>Shareholder information:</i>	Commercial Union Assurance Company PLC holds a 100 per cent interest in 34 of its 39 principal subsidiary companies, and an interest of 50 per cent or above in the 5 remaining subsidiaries. The company also holds an interest of between 30 and 50 per cent in its 4 principal associated companies. ⁵ Of the company's total number of shares, 42.1 per cent are held by banks and nominee companies, 20.4 per cent by individuals, 13.1 per cent by insurance companies and 10.7 per cent by pension funds. No shareholder, corporate or individual, has an interest of 5 per cent or more in the issued share capital of Commercial Union Assurance Company PLC. ⁶

2. Operations

1. The Commercial Union Assurance Company PLC (Commercial Union) was formed in London in 1861. In 1905 the Hand-in-Hand Fire and Life Insurance Society, founded in the seventeenth century, merged with Commercial Union and as a result made it one of the oldest established insurance companies in the world.⁷ By 1880 the company had established insurance offices in the United States, Australia, Asia and southern Africa. As a result of its insurance services in these countries and regions the company developed during the next 90 years to become, by 1970, one of the largest multinational insurance companies in the world with a total (non-life) premium insurance income of £389.5 million and net assets of £127.6 million.⁸ By 1979 the insurance services provided by Commercial Union were considerable. In four categories they comprised the following: insurance to private individuals, companies and multinational corporations; insurance for buildings, machines, ships, planes, cars, raw materials and livestock; insurance against accident, theft, negligence, fire, flood, earthquake and hurricanes; and, finally, life assurance, pension schemes, re-insurance, risk control and international insurance planning.⁹

2. In 1982 Commercial Union operated in over 100 countries in Western Europe, North America, South America, Australasia and Africa. The most important countries in which its subsidiary and associated companies are located, outside of Western Europe, are the United States, Canada, Australia and South Africa.¹⁰ At the end of 1982 the operations of Commercial Union represented one of the six largest insurance companies in the world, with a non-life premium income of £1,808 million and a total premium income of £2,178 million.¹¹

3. Structure of corporation

3. The 44 principal subsidiary and associated insurance companies of Commercial Union are located in six main countries: the United Kingdom, the Netherlands, United States, Canada, Australia and South Africa.¹² Of these, 15 of its principal subsidiaries are located in the United Kingdom, approximately 14 in the United States and approximately 4 in Canada.¹³ Its operations in the Netherlands are undertaken through its partly owned subsidiary (99.9 per cent) Delta Lloyds Vezekeringsgroep N.V., and in Australia and South Africa by its associated companies, National Commercial Union Ltd and the Commercial Union Assurance Company of South Africa Ltd, respectively.¹⁴ Table 1 lists 18 of the major subsidiaries in five countries.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES,
COMMERCIAL UNION ASSURANCE COMPANY PLC¹⁵

<i>Subsidiary</i>	<i>Percentage owned by parent</i>
United Kingdom:	
British & European Reinsurance Co. Ltd	100.0
Commercial Union (Leasing) Ltd	100.0
Commercial Union Properties Ltd	100.0
Commercial Union Pension Management Ltd	100.0
Northern Assurance Co. Ltd.....	100.0
Ocean Marine Insurance Co. Ltd	100.0
Employer's Liability Assurance Corp. Ltd	100.0
Commercial Union Assurance (Unit Trusts) Ltd ...	80.0
United States:	
Commercial Union Corporation	100.0
American Employer's Insurance Co.	100.0
Commercial Union Insurance Co.	100.0

Commercial Union Leasing Corporation	100.0
Commercial Union Risk Management Inc.	100.0
Northern Assurance Co. of America	100.0
Canada:	
Commercial Union of Canada Holdings Ltd	100.0
Commercial Union Assurance Co. of Canada	100.0
Australia: (associated company)	
National Commercial Union Ltd	45.8
South Africa: (associated company)	
Commercial Union Assurance Co. of South Africa Ltd	45.0

4. Economic information

4. The nature of the Commercial Union Assurance Company PLC involvement in Namibia is insurance. Table 2 summarizes its financial status from 1971 to 1982.

TABLE 2. FINANCIAL SUMMARY, COMMERCIAL UNION ASSURANCE COMPANY PLC¹⁶
(Millions of pounds sterling (£))

<i>Economic data</i>	<i>ICJ advisory opinion 1971</i>	<i>United Nations Decree No. 1 1974</i>	<i>1978</i>	<i>1981</i>	<i>1982</i>
Total assets:					
Non-life	-	-	-	2 857.1	3 535.6
Life	-	-	-	937.1	1 161.2
Gross revenues ^a	-	954.2	1 381.4	1 844.9	2 178.1
Income before taxes	34.1	50.2	142.2	89.5	21.5
Taxes	11.4	21.5	54.4	21.5	7.7
Net income after taxes	22.7	28.7	87.8	68.0	13.8

^a Gross revenues expressed in the form of total premium income.

B. COMMERCIAL UNION ASSURANCE COMPANY, NAMIBIA

1. Basic data and operations

<i>Name of subsidiary:</i>	Commercial Union Assurance Company. (Operates as a branch of Commercial Union Assurance Company of South Africa Ltd).
<i>Address in Namibia:</i>	French Bank Centre, Kaiser Street, Windhoek.
<i>Telephone number:</i>	Windhoek 37137.
<i>Date established:</i>	Founded 1964. ¹⁷
<i>Bankers:</i>	Barclays National Bank Ltd; ¹⁸ The Standard Bank of South Africa Ltd; Nedbank Ltd.
<i>Common stocks:</i>	Total issued capital of R 4,000,000 consist- ing of 8,000,000 issued shares of R 50 cents each ¹⁹ (as held by Commercial Union Assurance Company of South Africa Ltd).

<i>Shareholders of subsidiary:²⁰</i>	<i>Company</i>	<i>Percentage held</i>
	Commercial Union Assurance Company PLC (United Kingdom)	45.0
	Gold Fields of South Africa Ltd ^a (South Africa)	30.0

^a Gold Fields of South Africa Ltd is a
48 per cent owned subsidiary of Consoli-
dated Gold Fields PLC (United Kingdom).

5. The operations of the Commercial Union Assurance Company in Namibia were established in approximately 1964, following the formation of Commercial Union Assurance Company of South Africa Ltd, which operates as a 45 per cent owned associated company of Commercial Union Assurance Company PLC, United Kingdom. The operations of the company in Namibia are conducted as a local office of the South African based associated company of Commercial Union. The classes of insurance provided by Commercial Union Assurance Company through its Windhoek based local office are fire, accident and marine, and life insurance and pension services.²¹ No further information on the operations of Commercial Union Assurance Company in Namibia are available.

2. Economic information

6. Operations commenced about 1964. No economic information on Commercial Union Assurance Company in Namibia *per se* is available. The information in Table 3 is for Commercial Union Assurance Company of South Africa Ltd, based on its insurance operations in South Africa and Namibia.

TABLE 3. FINANCIAL SUMMARY, COMMERCIAL UNION
ASSURANCE COMPANY (SOUTH AFRICA)²²
(Millions of rand (R))

	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981
<i>Economic data</i>				
Total life funds	31.0	50.0	105.0	201.5
Gross revenues	0.9	2.6	6.5	2.2
Taxes	0.007	0.5	1.9	(0.5)
Net income after taxes	0.9	2.1	4.5	2.7
Shareholders funds	10.8	17.0	18.9	30.2

7. No information is available to indicate whether Commercial Union Assurance Company in Namibia, as a local office of Commercial Union Assurance Company of South Africa Ltd, provides any form of insurance services for resources, cargoes or goods exported from Namibia. Nor is there further information on the insurance operations and services provided by Commercial Union Assurance Company in Namibia.

8. No information is available on the number of employees of Commercial Union Assurance Company in Namibia, nor on their wages and salaries.

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IV. CONSOLIDATED GOLD FIELDS PLC

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A. PARENT CORPORATION, UNITED KINGDOM

1. Background

<i>Name of parent:</i>	Consolidated Gold Fields PLC.
<i>Namibian subsidiary:</i>	Gold Fields Namibia Ltd. Through its South African subsidiary the company is also engaged in prospecting for

uranium and base metals and has a majority holding in the operations of the Tsumeb Corporation Ltd.

Registered office: 49 Moorgate, London EC2R 6BQ, United Kingdom.

Telephone number: 01-609 1020.

Date incorporated: Registered 1892 as Consolidated Gold Fields of South Africa Ltd; present name adopted 1964.¹

Rank by assets in field of operation: Number 254 in the 500 largest industrial companies outside the United States.² Approximately third in the world as an international mining finance company.³

Total number of employees: 100,994.⁴ (8,349 in United Kingdom, 92,645 in operations abroad.)

Shareholder information: Consolidated Gold Fields PLC has a 100 per cent equity interest in 10 of its 34 principal companies. The major equity interests of the company in its 24 other principal subsidiaries include a 70 per cent interest in one, 48 to 49 per cent interest in six and 20 to 26 per cent interest in a further six subsidiaries.⁵ The Mineral and Resources Corporation Ltd, in which the Anglo-American Corporation of South Africa Ltd and De Beers Consolidated Mines Ltd of South Africa are the majority shareholders, holds an interest of approximately 29 per cent in the company.⁶

2. Operations

1. Consolidated Gold Fields was founded in 1887 by two British mineral prospectors and colonial explorers, Cecil Rhodes and Charles Rudd, who acquired extensive mining claims in the large gold deposits discovered at Witwatersrand in Transvaal, South Africa, and established a company to develop the gold producing reefs.⁷ Five years later, in 1892, Consolidated Gold Fields of South Africa Ltd (CGFSA) was incorporated in the United Kingdom as a mining finance organization.⁸ The mining operations of the company expanded rapidly and in 1895 the profits earned by CGFSA were the largest ever declared by a United Kingdom based company.⁹

2. In the early 1900s CGFSA experienced economic difficulties and its operations declined as the effects of inflation, which followed the First World War, increased development costs in the gold mining industry.¹⁰ It was not until the 1930s, when the price of gold began to rise and exploration activities undertaken by the company led to the discovery of the "West Wits" gold line, a deposit west of Johannesburg, which eventually became the richest gold field in the world, that CGFSA was able to develop on a secure basis.¹¹ The size of the "West Wits" gold deposits resulted in CGFSA locating six of its seven gold-producing mines on the deposits up to 1979 and enabling an eighth mine to commence production about 1980.¹²

3. In the period between 1930 and 1950, the gradual expansion of CGFSA was largely based on its extensive interests in gold mining in South Africa. In the 1950s, however, the company began to broaden its mining operations to other metals and minerals.¹³ In 1957 a major investment was obtained in the South West Africa Company Ltd (SWACO), which provided CGFSA with interests in vanadium, zinc and other mining operations in South West Africa.¹⁴ A similar large investment in the Rooiberg and Apex mines in South Africa, acquired in 1959, provided interests in tin and coal respectively.¹⁵ The company's decision to diversify operations outside of southern Africa commenced in 1960, when a controlling interest was acquired in Commonwealth Mining Investments, an Australian-based finance company, through which CGFSA was able to obtain majority holdings in four major Australian mining companies, providing interests in rutile, zircon, copper, tin and coal; in 1965 it acquired Mount Goldsworthy, the first major producer of iron ore in Western Australia.¹⁶ As a result of the parent company's expanding interests in the country, Consolidated Gold Fields Australia (CGFA) was formed as a wholly owned subsidiary in 1966. Under its operations, further interests in coal were obtained in New South Wales in 1969 (placed on a care-and-maintenance basis in 1977) and in Perth, Western Australia, in 1980.¹⁷ In July 1981 CGFA became a wholly owned subsidiary of Renison Goldfields Consolidated, which is itself 49 per cent owned by the London-based parent.¹⁸

4. As a result of its diversification outside of southern Africa, CGFSA changed its name in 1964 to Consolidated Gold Fields Ltd (CGF), and since then the company and its subsidiaries have frequently been referred to as the Gold Fields Group.¹⁹ In 1962 the company commenced operations in North America, when Newconnex Holdings was formed to represent the interests of CGF in Canada, followed by the formation of Goldfields American Corporation as the holding company for CGF in the United States.²⁰ A series of acquisitions in the American steel industry in 1963 enabled Azcon, a wholly owned subsidiary, formerly the American Zinc Company, to become one of the largest steel producers in the United States.²¹ A large investment programme was also undertaken in the United States in the early 1970s by Amey Roadstone Ltd (construction materials), acquired by CGF in 1972.²² In 1978 the operations of CGF in Canada were restructured and became a division of its American-based Azcon company. A year later, Goldfields American Corporation became American Consolidated Group Incorporated which operates as the management and finance company of CGF in the United States.²³

5. In the United Kingdom, an investment programme which commenced in 1959 was followed by establishing a major interest in the construction and materials industry through the purchase of Greenwoods Transport (haulage and warehousing) in 1967, Amalgamated Roadstone in 1968 and the Amey Group in 1972, the latter two of which were merged to form the Amey Roadstone Corporation (construction and civil engineering). In 1971 CGF commenced tin production through its wholly owned Wheal Jane mine in Cornwall (later sold to the United Kingdom-based Rio Tinto-Zinc Corporation PLC).²⁴

6. The major activity of the company, however, has continued to be its mining base in southern Africa, which continued to expand between 1960 and 1983. In 1967 CGF finance and management subsidiary Gold Fields of South Africa formed the Zinc Corporation of South Africa Ltd

(Zincor), one of the largest zinc producers in the world.²⁵ A 21 per cent interest was also held in Rustenburg Platinum Mines Ltd (reduced to 15 per cent in 1973), which between 1966 and 1975 was the largest producer of platinum in all the Western states (production rationalized 1976).²⁶ In 1971 the assets of Gold Fields South Africa were acquired by West Witwatersrand Areas Ltd, established in 1932 to develop the West Wits gold fields. The merged company abandoned its former title to form a new and enlarged Gold Fields of South Africa Ltd (GFSA), in which the interest of CGF was reduced from 100 per cent to 49 per cent.²⁷ The new company, however, became the major subsidiary of the CGF Group and is the company through which most CGF operations in southern Africa are managed and financed. Although not related to the merger, the return of the investments of GFSA in the South West Africa Company (vanadium and zinc) and the South African-based Rooiberg mine (tin) fluctuated during the late 1960s and early 1970s.²⁸ The return on its South African coal mining interests, through the Apex mine, however, increased steadily between 1975 and 1982.²⁹ An interest in diamond production, through a 17 per cent investment in Star Diamond (Pty) Ltd, was held between 1972 and 1974.³⁰ In 1977 GFSA agreed with the Phelps Dodge Corporation, a United States, based mining company, to develop the substantial deposits of lead, silver, copper and zinc in Namaqualand, South Africa, and also acquired a 51 per cent controlling interest in the operations of its Black Mountain Mineral Development Company Ltd, which provided additional interests in reserves of similar base metals estimated at 200 million tons.³¹ Of all the operations managed by GFSA, however, its eight gold-producing mines in the Transvaal and Orange Free State in South Africa remain the most important, contributing almost a third of the £116 million in profits of the CGF Group before tax and interest in 1982.³² Two of its eight gold mines, Driefontein Consolidated and Kloof, were estimated in the same year to account for 11 per cent of the gold produced in the Western states.³³

7. In 1981 CGF diversified its mining operations further by acquiring an 8.1 per cent share in the United States-based Newmont Mining Corporation, which has mining interests and operations in North America and southern Africa, including the Tsumeb Mining Corporation Ltd in Namibia, as well as oil and gas operations in the Gulf of Mexico.³⁴ The interests of CGF in Newmont between 1982 and 1983 increased from 22 to 25.1 per cent.³⁵

8. At the end of 1982 the major interests of CGF were located in southern Africa, North America, Australia and the United Kingdom and consisted of mining operations comprising gold, zinc, copper, vanadium, lead, iron, tin, coal and uranium; exploration activities for base metals in Australia, Brazil, Chile, North America, Papua New Guinea and the Philippines; and interests in construction materials, manufacturing and commerce, mainly located in the United Kingdom and North America.³⁶

3. Structure of corporation

9. The operations of the 34 principal subsidiary companies of CGF are either managed and directed by three management and finance companies or directly by CGF itself. The three finance and management companies, Amcon Group Incorporated, Gold Fields of South Africa Ltd and Renison Goldfields Consolidated Ltd, administer the operations of five groups of subsidiary companies

incorporated in the United States, 13 in South Africa and four in Australia, respectively (Table 1).³⁷ The remaining principal subsidiary companies are directly held subsidiaries of CGF with the balance of their shares held by wholly owned group companies. They comprise two holding companies, Consolidated Gold Fields N.V. in the Netherlands and Eurcon Group Ltd in the United Kingdom, five companies also incorporated in the United Kingdom with interests in investment and the construction industry, and two companies with interests in iron ore and aggregate and related products based in Australia and the Netherlands, respectively.³⁸ In 1982 the contribution of subsidiary companies to the total profits of £116.4 million earned by CGF comprised: Australian companies, £2.1 million (£12.3 million in 1981), North American companies £2.8 million (£26.8 million in 1981); South African companies, £54.6 million (£76.5 million in 1981) and United Kingdom companies, £56.9 million (£73.1 million in 1981).³⁹

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, CONSOLIDATED GOLD FIELDS PLC⁴⁰

Subsidiary	Percentage owned by parent
Amcon Group Incorporated (all United States)	100
Azcon Corporation	100

Gold Fields Mining Corp.	100
Newmont Mining Corp.	22
Newconex Corp.	100
Gold Fields of South Africa Ltd (South Africa)	49
The above company manages operations of 11 mining operations (producing gold, uranium, base metals and coal)	
	(4 to 49 per cent interest in 11 mines)
as well as Rooiberg Tin Ltd	16
and Zinc Corporation of South Africa Ltd	20
Amey Roadstone Corp. Ltd (United Kingdom)	100
Gold Fields Industrial Ltd (United Kingdom)	100
Renison Goldfields Consolidated (all Australia)	49
Mount Lyell Mining and Railway Co. Ltd	49
Renison Ltd	49
Associated Minerals Consolidated Ltd	49

4. Economic information

10. The nature of Consolidated Gold Fields PLC involvement in Namibia is (1) mining (base metals), (2) prospecting (uranium, base metals), and (3) a majority interest in base-metal mining corporation. Table 2 summarizes its financial status from 1966 to 1982.

TABLE 2. FINANCIAL SUMMARY, CONSOLIDATED GOLD FIELDS PLC⁴¹
(Millions of pounds sterling (£))

Economic data ^a	Termination of mandate 1966	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981	1982
Total assets	80	179	304	474	756	803
Gross revenues ^b	18	19	67	76	189	116
Income before taxes	12	14	60	64	187	96
Taxes	4	9	19	24	76	23
Net income after taxes	9	5	41	40	111	73

NOTE: Financial year of company ends 30 June.

^a Figures for 1966 and 1971 are stated at the value of the pound in 1975 and figures for 1974 to 1982 are stated at the value of the pound in 1982.

^b Gross revenues expressed as total profit before deductions of interest and tax.

11. Consolidated Gold Fields (CGF) operates in Namibia through Gold Fields Namibia Ltd, a wholly owned subsidiary of Gold Fields of South Africa Ltd (GFSA) in which CGF holds a 48 per cent beneficial interest. In 1976 Kiln Products, at that time a 55 per cent owned subsidiary of GFSA, acquired the total share capital of the South West Africa Company Ltd and became the major directly held mining company of the CGF Group in Namibia.⁴² As a result Kiln Products Ltd was renamed Gold Fields Namibia Ltd about 1982.

12. In 1982 GFSA obtained a major interest in the base metal mining operations of the Tsumeb Corporation Ltd, through acquiring the former 29.6 shareholding of the United States based American Metal Climax Corporation.⁴³ In the same year CGF increased its interest to 22 per cent in the Newmont Mining Corporation, also based in the United States, which itself holds (1982) a 30.4 per cent interest in Tsumeb. On the basis of these acquisitions and the interests

in Tsumeb of the former South West Africa Company, now held by Gold Fields Namibia Ltd, by mid-1983 the CGF Group was the largest single shareholder of the Tsumeb Corporation Ltd.⁴⁴ At the end of 1982 CGF also had interests in the search for additional mineral resources in Namibia, through prospecting activities undertaken by GFSA.

13. In order to clearly distinguish the various operations of the subsidiary companies of Consolidated Gold Fields, which operate, or have interests, in Namibia, the following information will describe; (1) the operations of Gold Fields Namibia Ltd in the base-metals industry, under the heading "Gold Fields Namibia Ltd"; (2) the prospecting activities of Gold Fields of South Africa Ltd, under the heading "Gold Fields of South Africa Ltd (prospecting activities)"; and (3) the interests of Gold Fields of South Africa Ltd in the Tsumeb Corporation Ltd and its mining operations, under the heading Tsumeb Corporation Limited.

B. GOLD FIELDS NAMIBIA LTD.

1. Basic data and operations

Name of subsidiary:	Gold Fields Namibia Ltd.
Address for Namibia:	Gold Fields of South Africa Ltd., 75 Fox Street, Johannesburg, South Africa.
Telephone number:	833-3811 Johannesburg.
Date established:	About 1982 ⁴⁵ (as Gold Fields Namibia Ltd., formerly known as Kiln Products Ltd.).
Number of shareholders:	One.
Shareholders of subsidiary: ⁴⁶	

Company	Percentage held
Gold Fields of South Africa Ltd. ^a (South Africa)	100

^a Gold Fields of South Africa Ltd. is a 48 per cent owned subsidiary of Consolidated Gold Fields PLC.

14. Gold Fields Namibia Ltd. was established about 1982. The company was formerly known as Kiln Products Ltd., which was formed in the late 1960s by a group of South Africa companies to construct and operate a zinc-oxide production plant at the Berg Aukas mine, owned by the South West Africa Company Ltd. (SWACO).⁴⁷ In 1976, following a decline in production at a number of its base-metal mines, SWACO was taken over and became a wholly owned subsidiary of Kiln Products Ltd. The mines acquired as a result of the take-over were Brandberg West (tin/wolfram), Berg Aukas (lead/zinc/vanadium), the Otjivalunda pans (salt) and, through joint ownership, Asis West, Asis Ost and Kombat (copper/lead).⁴⁸ Other interests formerly held by SWACO which passed to Kiln Products Ltd. included 69 prospecting claims in various parts of Namibia; mining rights and grants over 177,671 hectares (ha) in five areas in the Damaraland district; 2,473 ha in the Brandberg West, Cape Cross, Otavi, Otjivalunda and Grootfontein districts; 446 ha at Berg Aukas, and holdings of 2.38 per cent in the Tsumeb Corporation Ltd. (further covered in Section D) and 25 per cent in its prospecting and development company Tsumeb Exploration Company Ltd.⁴⁹

15. About 1981 SWACO was formally dissolved and its assets transferred to Berg Aukas Ltd., formed from one of its early mining operations. When Kiln Products Ltd. was renamed Gold Fields Namibia Ltd. in 1982, Berg Aukas became a wholly owned subsidiary.⁵⁰ As a result, by January 1983, all prospecting rights, mining grants and assets formerly held by SWACO had been transferred to Gold Fields Namibia Ltd., which operates as a 100 per cent owned subsidiary of Gold Fields of South Africa Ltd.

16. Although a number of base-metal mines formerly operated by SWACO have been closed down or suspended operation, the principal mining properties of Gold Fields Namibia Ltd. in 1982 consisted of its interests, with Tsumeb Corporation, in the good grades of copper ore at Asis West, and its directly held shares in Tsumeb Corporation Ltd. and the Tsumeb Exploration Company Ltd.⁵¹

17. On the basis of the interests acquired during 1982 by Gold Fields of South Africa Ltd. (GFSa) in the Tsumeb Corporation and its prospecting interests for Namibian uranium, it is not known to what extent the future operations of the Consolidated Gold Fields Group in the territory will be directly managed or supervised by Gold Fields Namibia Ltd. At 30 June 1983⁵², however, the company continued to operate from the offices of its immediate parent, GFSa, in Johannesburg, South Africa.

18. There is no detailed economic information available on the company in its present name or in its former name of Kiln Products Ltd.

2. Economic activities

19. As Gold Fields Namibia Ltd. was not established until about 1982, no known prospecting operations have been initiated by the company under its present name, or are known to have been undertaken under its former name of Kiln Products Ltd. On the basis of the acquisition of the assets, mining rights and property previously held by the South West Africa Company Ltd. (SWACO), however, Gold Fields Namibia Ltd. holds exclusive prospecting rights over those areas of the Damaraland concession containing vanadium and diamonds. The grant for the original Damaraland concession was obtained by SWACO from the former German colonial administration of Namibia in approximately 1893⁵³. A report of 1979 stated that the size of the exclusive prospecting areas was 14,500 hectares (ha).⁵⁴ The overall area of the Damaraland concession in 1981 was 177,671 ha.⁵⁵ On the basis of a five-year joint venture agreement between SWACO and the Tsumeb Corporation Ltd., which commenced in January 1977, concerning prospecting rights to any mineral deposits located in the Damaraland concession outside of the exclusive prospecting area, those rights will also have passed to Gold Fields Namibia Ltd.⁵⁶ No information is available as to whether any mineral deposits were found during the period of agreement, or whether Gold Fields Namibia Ltd. and Tsumeb Corporation Ltd. have entered into a new joint venture agreement for further prospecting.

20. The prospecting agreement acquired by Gold Fields Namibia Ltd. with the Tsumeb Corporation Ltd. is a result of the 25 per cent interest formerly held by SWACO in the Tsumeb Exploration Company Ltd., which was organized for the specific purpose of exploring for minerals, exclusive of vanadium and diamonds, in the Damaraland concession.⁵⁷

3. Production

21. The base-metal mines formerly operated by SWACO in conjunction with the Tsumeb Corporation Ltd., which, since approximately 1982, have become mining interests of Gold Fields Namibia Ltd. comprise three wholly owned and three partly owned mining properties. Table 3 gives information on the state of operations at the six mining sites as of January 1983.⁵⁸

TABLE 3. STATUS OF GOLD FIELDS NAMIBIA LTD. MINES, 1983

Mine	Mineral	Operations	Ownership
Brandberg West	tin/wolfram	closed down about 1980	wholly owned
Berg Aukas ..	lead/zinc vanadium	suspended 1978 and placed on care and maintenance basis	wholly owned
Asis West ..	copper/lead	production commenced 1978; current operation uncertain	ownership shared with Tsumeb Corporation
Asis Ost	copper/lead	suspended 1976; current operations uncertain	25% owned; Tsumeb 75%

Kombat	copper/lead	suspended 1976; reopened late 1978	ownership shared with Tsumeb Corporation
Otjivalunda pans	salt	production on a limited basis commenced 1975	wholly owned

22. Although information on individual mine production when owned by SWACO is limited, on the basis of the above operational activity, table 4 gives an indication of the level of production attained, excluding copper and vanadium, during the 1970s.

TABLE 4. PRODUCTION OF MINERALS FROM SWACO MINES, 1971-1979⁵⁹
(Metric tons)

	1971	1972	1973	1974	1975	1979
Tin/wolfram	595	635	225	-	-	521
Lead vanadates	8 197	5 571	6 576	8 348	5 771	-
Zinc silicates	23 674	23 692	27 930	28 710	22 910	-
Zinc sulphides	7 319	11 089	27 930	28 710	22 910	-

23. One of the main factors which led to the demise of SWACO was the accumulating loss encountered at its two wholly owned base metal mines, Brandberg West and Berg Aukas. Although both mines were in production in 1976 when SWACO became a wholly owned subsidiary of Kiln Products Ltd., by 1982 when Kiln Products became Gold Fields Namibia Ltd. neither mine was in operation. A report of 1980 stated that due to continued losses and poor grades of ore "Brandberg West is being closed" and its operations terminated permanently, and that the continuing low price of base metals had "not justified the re-opening of the Berg Aukas mine".⁶⁰ The same report stated, however, that the zinc oxide production plant, formerly operated by Kiln Products Ltd., had sufficient resources for it to continue in operation at the Berg Aukas mine up to approximately 1983.⁶¹

24. The decision to close Brandberg West and suspend production at Berg Aukas was taken by South African mining interests in Kiln Products Ltd. between 1976 and 1980. Following the change of name from Kiln Products to Gold Fields Namibia Ltd., the interest of Gold Fields of South Africa Ltd. in Kiln Products increased from 11 per cent in 1981 to a 100 per cent interest in its new subsidiary, Gold Fields Namibia Ltd., by January 1983.⁶² Although no information is available from its immediate parent regarding the possibilities for resuming production at its various Namibian mining sites, the ore reserves at the base metal mines owned or co-owned by Gold Fields Namibia Ltd. at January 1983 are estimated as shown in table 5.

TABLE 5. ORE RESERVES AT GOLD FIELDS NAMIBIA BASE-METAL MINES
(Figures in thousand metric tons)⁶³

Mine	Reserves		Ownership
	December 1980	December 1981	
Berg Aukas .. (ore tenor)	1 651 (0.6% vanadium, 5.0% lead, 17.0% zinc)	as for 1980	wholly owned
Asis West .. (ore tenor)	1 500 (5.99% copper, 2.88% lead)	Asis West, Asis Ost, Kombat: 4 022	shared with Tsumeb Corporation
Asis Ost (ore tenor)	334 (2.48% copper, 1.15% lead)	(3.29% copper, 2.35% lead)—estimated combined total	25% owned; 75% Tsumeb Corporation
Kombat (ore tenor)	1 759 (1.73% copper, 2.47% lead)	reserves	shared with Tsumeb Corporation
Otjivalunda ..	(salt) reserves unknown	as for 1980	wholly owned

4. Contracts and sales

25. As production at most of the base metal mines which passed to Gold Fields Namibia Ltd. was already suspended before its change of name from Kiln Products Ltd. in 1982, no contracts are currently believed to exist for mineral supplies from any of its mining properties, except for Asis West and Kombat, which it co-owns with the Tsumeb Corporation Ltd. No precise information regarding current contracts and customers for supplies from these

mines is known to have been recently published. During the 1970s, however, when the base-metal mines, including Asis West and Kombat, were owned or co-owned by SWACO, the principal states receiving the mineral resources produced were South Africa, the Federal Republic of Germany and the United Kingdom.⁶⁴ The amounts of mineral resources, excluding vanadium and copper, exported from the SWACO-owned or co-owned base metal mines between 1971 and 1975 are comparable with the figures for "general production activity", stated above.

26. A report of 1979 stated that in regard to zinc, lead vanadate and lead sulphide products, the zinc produced from Berg Aukas was exported for refining to the Zinc Corporation of South Africa Ltd. (Zincor) at its Springs electrolytic refinery in the Transvaal, South Africa.⁶⁵ In 1981 Zincor was stated as being a 40 per cent owned and administered subsidiary of Gold Fields of South Africa Ltd.⁶⁶ The 1979 report also states that the lead vanadate concentrates, produced at Berg Aukas, Asis West, Asis Ost and Kombat, were supplied for smelting to an industrial complex in Hamburg, Federal Republic of Germany, and that lead sulphides, from the same mines, were first converted to refined lead at the refinery operated in Namibia by the Tsumeb Corporation Ltd., and then transported to the United Kingdom.⁶⁷ No information regarding the specific customers for the copper and lead products, or for the tin and wolfram resources previously produced at the Brandberg West mine, is available.

27. No further information on the operations of Gold Fields Namibia Ltd. is known. For management information on the company, see under management for its immediate parent, Gold Fields of South Africa Ltd., as no independent management for Gold Fields Namibia Ltd. had been established as of June 1983.

C. GOLD FIELDS OF SOUTH AFRICA LTD.

1. Basic data and operations

<i>Name of subsidiary:</i>	Gold Fields of South Africa Ltd. (prospecting activities).
<i>Address for Namibia:</i>	Gold Fields Building, 75 Fox Street, Johannesburg, South Africa.
<i>Telephone number:</i>	833-3811 Johannesburg.
<i>Date established:</i>	1982 ⁶⁸ (as West Witwatersrand Areas Ltd., present name adopted 1971).
<i>Common stock:</i>	Total issued capital of R 4,081,119, consisting of 16,324,477 shares of R 25 cents each. ⁶⁹

Shareholders of subsidiary:⁷⁰

<i>Company</i>	<i>Percentage held</i>
Consolidated Gold Fields (United Kingdom)	48.0
Anglo American Gold Investment Company Ltd. ^a (South Africa) .	11.0
South African Mutual Life Insurance Co. Ltd. (South Africa)	5.9

^a Anglo American Gold Investment Company Ltd is a 48.57 per cent owned subsidiary of the Anglo American Corporation of South Africa Ltd.

28. Gold Fields of South Africa Ltd. became involved in Namibia in the early 1970s, soon after the company adopted its present name, following the merger in 1971 with West Witwatersrand Areas Ltd. (West Wits). As a result of the merger and in order for the company to establish its identity as the major gold producer in South Africa, which at that time was the basis of its mining operations, West Wits changed its name to Gold Fields of South Africa Ltd. (GFSA).

29. About 1972 GFSA commenced an exploration programme which, besides seeking deposits for new gold-mining projects, included the search for base metals and coal.⁷¹ In 1973, as a result of its exploration programme, GFSA became involved in Namibia when the company began prospecting for uranium.⁷² (Further information on activities in this area is given in subsection 3, Prospecting, below.)

30. In addition to its wholly owned subsidiary Gold Fields Namibia Ltd. and its 43 per cent interest in the Tsumeb Corporation Ltd., in 1982 GFSA also acquired a 25.1 per cent holding in the O'okiep Copper Company, which operates in South Africa but has a 9.5 per cent holding of its own in Tsumeb Corporation Ltd.⁷³ The company is a 49 per cent owned subsidiary of the United States based Newmont Mining Corporation, in which Consolidated Gold Fields holds a 25.1 per cent interest.⁷⁴

2. Economic information

31. Operations commenced about 1973.⁷⁵ The information in Table 6 on GFSA is provided on the basis that its prospecting activities (and other mining interests) in Namibia are undertaken as a 48 per cent owned subsidiary of Consolidated Gold Fields PLC, United Kingdom.

TABLE 6. FINANCIAL SUMMARY, GOLD FIELDS OF SOUTH AFRICA LTD ⁷⁶
(Millions of rand (R))

<i>Economic data</i> ^a	<i>Termination of mandate 1966</i>	<i>ICJ advisory opinion 1971</i>	<i>United Nations Decree No.1 1974</i>	1981	1982
Total assets	40.6	57.4	159.8	434.0	480.8
Gross revenues ^b	5.3	7.3	44.2	210.8	180.9
Income before taxes	-	-	38.3	172.0	137.5
Taxes	-	-	2.5	4.5	5.2
Net income after taxes	4.7	6.1	35.7	167.5	132.3
Shareholder	32.1	48.6	128.7	345.3	-

^a Figures for 1966 and 1971 are for the operations of West Witwatersrand Areas Ltd., prior to its merger with (and change of name to) Gold Fields of South Africa Ltd. in November 1981.

^b Gross revenues expressed as total income, comprising income from investments, subsidiaries, fees and other sources, prior to deducting sundry expenditure.

3. Prospecting

32. The prospecting activities of Gold Fields of South Africa Ltd. (GFSA) in Namibia commenced about 1973. The mineral prospected for was uranium and exploration was in the Karibib area,⁷⁷ approximately 30 kilometres north-east of Rossing, where uranium was discovered in the mid-1960s and brought into production in 1976 by Rossing Uranium Ltd., a subsidiary of the Rio Tinto-Zinc Corporation PLC based in the United Kingdom (covered in Chapter VIII). Although little information on the developments of the uranium prospecting activities was revealed by GFSA, a uranium deposit was reported to have been located in the Karibib area at Trekkopje in 1978.⁷⁸ A report produced by the United Nations, following the Hearings on Namibian Uranium organized by the United Nations Council for Namibia, held in New York in July 1980, stated that the deposit was of a large tonnage of low-grade ore, similar to that at Rossing.⁷⁹ No figures have been made available on the actual ore grade or the estimated size of the uranium reserves.

33. Since the Trekkopje deposit was located, no attempt is known to have been made by GFSA to proceed with the operations necessary to enable full-scale production of uranium oxide. In 1981, however, GFSA stated that as part of the Consolidated Gold Fields Group it was "exploring for precious metals, base metals and energy minerals" in Namibia, as well as in South Africa, Zimbabwe and Brazil, and in 1982 confirmed that those "explorations continued".⁸⁰ Although the amount expended on its prospecting activities in Namibia is not known, the total exploration expenditure in all the above countries in 1982 was R 14.7 million.⁸¹

34. As a result of the company's majority holding in the Tsumeb Corporation Ltd., which it acquired in 1982, and on the basis of its 1981 prospecting statement, it is not known whether the prospecting operations of GFSA in Namibia include a search for new base-metal deposits as well as uranium.

35. In regard to previous prospecting activities, excluding its exploration for uranium in the Karibib area, between 1971 and 1977 GFSA held prospecting licences to explore for minerals over large areas of farmland in the Outjo and Otjiwarongo districts, and in the Windhoek district generally.⁸² The GFSA companies engaged in the prospecting operations were Gold Fields Mining and Developments Ltd., Goldfields Prospecting Company (Pty.) Ltd. and Goldfields Mining and Development Ltd.⁸³ No information is available on the results of the prospecting undertaken by GFSA during the above period.

D. TSUMEB CORPORATION LIMITED, NAMIBIA

1. Basic data and operations

<i>Name of subsidiary:</i>	Tsumeb Corporation Limited.
<i>Address in Namibia:</i>	P.O. Box 40, Tsumeb 9000, Namibia.
<i>Telephone number:</i>	3061 Tsumeb, Namibia.
<i>Date established:</i>	1947. ⁸⁴
<i>Common stock:</i>	Total issue capital of R 2,000,000, comprising 4,000,000 shares of R 0.5 each. ⁸⁵ In late 1982 the directors of Tsumeb voted to increase authorized shares to

10,000,000 with a rights issue underwritten by Gold Fields South Africa and Newmont Mining Corporation Ltd.⁸⁶

Shareholders of subsidiary:⁸⁷

<i>Company</i>	<i>Percentage held</i>
Gold Fields of South Africa Ltd. ^a (South Africa)	42.3
Newmont Mining Corporation ^b (United States)	30.4
Selection Trust PLC ^c (United Kingdom)	14.3
O'okiep Copper Company Ltd. (South Africa)	4.87

^aGold Fields of South Africa Ltd. is a 48 per cent owned subsidiary of Consolidated Gold Fields PLC (U.K.)

^bConsolidated Gold Fields PLC also holds a 25.1 per cent interest in Newmont Mining Corporation.

^cSelection Trust PLC is a wholly owned subsidiary of the British Petroleum Company PLC (U.K.)

36. Economic information on the activities of Tsumeb Corporation Limited (TCL) is fairly easy to obtain from the annual reports of Newmont Mining Corporation, Amax and, where available, Tsumeb Corporation itself. The data from different sources is not always directly comparable, however, because of different accounting procedures and reporting requirements.

37. What is clear from all the available figures is that the Tsumeb Corporation, for its relatively small size, has been enormously profitable for all the companies that participated in the original investment. One researcher has calculated the average annual return on original investment in TCL over the period between 1950 and 1970 as 348 per cent.⁸⁸ Since 1975 TCL's profits have declined significantly as a result of declining copper prices and declining profitability of the ore body. While Tsumeb's assets and profits still remain dependent on the price of copper, the company's prospects have improved in the last two years with the acquisition of the Otjihase mine.

38. In addition to the original investment of \$2.8 million that established TCL, Amax reported in 1977 that about \$99 million had been invested in the mine, mostly in retained earnings.⁸⁹ In that period TCL produced well over \$1 billion worth of metal.

39. In recent years capital expenditures have been fairly substantial, mainly for the rehabilitation of the Otjihase mine in 1980 and 1981 and the expansion of the company's copper smelting facilities in 1975. The copper smelter expansion was financed by a long-term loan from Barclays Bank International Ltd. (New York) that was due to be paid back by July 1982.

40. Although TCL is a relatively small mining operation, the corporation has produced large profits considering the small amount of capital investment. Amax has calculated that in the ten-year period ending in 1975, TCL's net earnings averaged \$16.8 million per year, with dividend payments in the same period averaging \$15.9 million per year. Although the corporation declared a net loss in one of the years in that period, TCL still paid out over 90 per cent of its net income in dividends. Thus, almost all of the corporation's profits are exported abroad in the form of dividends.

41. The corporation's net income over the last six years (1977-1982) has been much lower, averaging just \$8.8 million per year, including two years in which the company declared losses. Nonetheless, TCL has continued its practice of paying out most of net income in the form of dividends; dividend payments over the same period averaged \$8.7 million.

42. While the bulk of TCL's net income is being transferred abroad as dividends, the company has continued to pay a relatively small amount in taxes. Over the last fifteen years the company's effective tax rate has averaged about 35 per cent, and total taxes paid by Tsumeb Corporation since it was established amount to only about \$200 million. Income taxes paid by TCL during the 1966-75 period averaged \$8.3 million per year.⁹⁰ Compared with an average net income over that period of \$16.8 million net per year, Tsumeb's tax payments seem very small.

43. Without doubt, the Tsumeb Corporation makes the largest contribution to gross domestic product of any base-metal mine in Namibia. Tsumeb's gross revenue in 1980 was about 9 per cent of GDP for Namibia as a whole,

and Tsumeb's contribution to GDP was much greater a decade earlier. In the early 1970s, TCL's mines accounted for 80 per cent of Namibian base-metal production. Although Tsumeb's importance to its American parents has declined in recent years, accounting for less than 1 per cent of total income for Amax and around 3 per cent of income for Newmont, TCL clearly had a significant effect on the growth of those two parents in earlier years.

44. As long as copper prices remain depressed, it is unlikely that TCL will again show the enormous profits that it earned in the early 1970s. Nonetheless, TCL still controls three of the four large copper mines in Namibia and, should copper prices rebound, the company will be in a good position to exploit those mines.

2. Economic information

45. Operations commenced in 1947, i.e., the Tsumeb Corporation Ltd.⁹¹ See table 7 for a financial summary of Tsumeb Corporation, 1966-1982.

TABLE 7. FINANCIAL SUMMARY TSUMEB CORPORATION LIMITED

<i>Economic data⁹²</i>	<i>Termination of mandate 1966 (Millions of US\$)</i>	<i>ICJ advisory opinion 1971⁹³ (Millions of R)</i>	<i>United Nations Decree No 1 1974 (Millions of US\$)</i>	<i>1978 (Millions of US\$)</i>	<i>1981 (Millions of R)</i>	<i>1982 (Millions of R)</i>
Total assets	-	R35.0	\$ 71.4	\$ 71.8	\$ 92.91	R102
Gross revenues before expenses ..	81.6	38.6	107.3	86.5	99.8	105
Taxes	12.6	5.6	11.9	5.8	0	0
Net income after taxes	31.0	14.5	21.0	11.6	(5.89)	(8.8)
Shareholder equity	-	25.0	41.9	35.7	30	41
Long-term debt	-	-	-	14.3	6.95	1.605

⁹⁴ For period July 1970 - June 1971.

3. Prospecting

46. When Tsumeb Corporation acquired all of the property and prospecting rights of the German-owned Otavi Minen- und Eisenbahn-Gesellschaft (OMEG) in January 1947, that agreement presumably included rights to a 2,600 square kilometre area, including Tsumeb, for mineral rights and an agreement providing Tsumeb with the option of obtaining surface rights for up to half of that area for its surface operations. In addition, in 1947 Tsumeb Corporation established a subsidiary, the Tsumeb Exploration Company, in which Tsumeb held a 75 per cent interest, with the remaining 25 per cent being held by the South West Africa Company. By notarized agreement, Tsumeb Exploration was to explore over a 7,800-kilometre grant enclosing "all the well-known mines and prospects of the Otavi Mountain area". This grant had been held by the South West Africa Company (SWACO) and it retained exclusive rights to vanadium deposits and certain reserved areas.⁹³ Tsumeb also has a number of smaller claims scattered around Namibia.

47. Prospecting, mining and smelting minerals, however, did not begin in Namibia with the establishment of the Tsumeb Corporation. The technique of smelting copper ore (malachite) simply by adding pieces of it to a hot fire and allowing the molten material to collect underneath may have been introduced to southern Africa

by immigrants from the north as early as A.D. 500⁹⁴ and, in fact, the remains of smelting sites have been found around Gross Otavi (just 20 kilometres from Tsumeb). The first written record of copper mining in northern Namibia was by Sir Francis Galton in his diary made while on a journey through Ovamboland. In 1857, Rhenish missionaries camping near Otjitjika observed Ovambo men transporting copper ore in neatly woven baskets weighing about 40 kilograms when full. The missionaries later learned that the Bushmen were amassing about 60 tons of ore a year.

48. The property that Tsumeb took over in 1947 had been owned by the German company Otavi Minen- und Eisenbahn-Gesellschaft (OMEG) that the South African government had taken over in 1940 under the Custodian of Enemy Property laws as a result of the Second World War. OMEG had operated the Tsumeb mine, what was later to be known as the Kombat mine and a number of other small properties between 1908 and 1925. Thus, the property that Tsumeb Corporation bought had been operating mines and did have some small amount of equipment already there, albeit rusty and mostly unusable.

49. The Tsumeb Corporation's initial prospecting consisted solely of an assessment of the wealth of the Tsumeb mine and an evaluation of what equipment

would be needed to bring that mine into production. Much of this prospecting was done before the purchase was completed and by March 1947 Tsumeb was already shipping the first load of ore to Walvis Bay for export.

50. The original evaluation of the property the O'okiep Copper Company purchased in the name of the Tsumeb Corporation took place during the Second World War, and was conducted by Mr. A.D. Storke, a consultant engineer and geologist working for the British Ministry of Supplies. Storke recommended that the British corporation Selection Trust and its American business associates form a syndicate to tender for the purchase of the OMEG property. At that point geologists from Newmont Mining Corporation's South African-based subsidiary, O'okiep Copper Company, visited the mine.

51. On the basis of these evaluations a group of British, American and South African corporations formed a consortium and purchased the OMEG property for £1,010,000 (R 2,020,000). The original group of companies involved in the purchase of the property and the establishment of the Tsumeb Corporation included (per cent equity interest in parentheses): Newmont Mining Corporation (29.6) and American Metal Company (29.6) of the United States; Selection Trust (14.2) and The South West Africa Company Ltd. of the United Kingdom; and the Union Corporation (9.4) and O'okiep Copper Company (19.5) of South Africa. O'okiep is a subsidiary of Newmont (57.5 per cent equity) and the American Metal Company, later known as Amax (17.3 per cent equity). An additional 5 per cent interest was held personally by A. D. Storke, the geologist who surveyed the mine during the Second World War. The British South Africa Company, according to Sohng, held a small interest. Once the Tsumeb Corporation was established, most of the company's initial efforts went into de-watering the mine and setting up the first flotation type concentrator, which began operating in 1948.

52. The Tsumeb Exploration Corporation's main work during the 1950s was focused on obtaining information for the development of the Tsumeb mine. Tsumeb is considered by many mineral experts to be one of the world's greatest mineral localities. According to the *Mineralogical Record*, the Tsumeb mine contains more than 196 mineral species, at least 20 of which have yet to be found anywhere else in the world. The principal products of the Tsumeb mine, however, are copper, lead and zinc. For a short time around 1960, germanium was produced. Cadmium, lime and silica are produced, mainly for Tsumeb's own use, and gold and silver are produced as by-products of the copper and lead smelting process.

53. Details of other prospecting activities of the Tsumeb Corporation are difficult to obtain, and what little information is available comes principally from the histories of two of Tsumeb Corporation's operating mines:

(a) *Kombat*

54. In 1953 and 1954 geological and geophysical surveys were carried out over the Asis mining area, site of the Asis mine during the OMEG ownership of the property (the Asis mine was closed down in 1925 by OMEG). In 1956 and 1958 boreholes provided enough positive information to warrant Tsumeb's decision to reopen the old

Asis mine, now renamed Kombat. The old mine was de-watered in 1960 and by 1962 the Kombat mine was in production.

(b) *Matchless*

55. Tsumeb began exploratory drilling at the old Matchless copper mine, some 225 kilometres southwest of Windhoek, in January 1965.⁹⁵ This drilling revealed, according to Newmont's 1966 annual report, a "modest size pyritic orebody containing about 1.7 per cent copper". In 1966 the company began sinking larger shafts to confirm the results of these earlier drillings, and by mid-1970 the Matchless mine was brought into production. The capital cost of bringing Matchless into production was "about \$5 million".⁹⁶

56. Tsumeb also carried out prospecting on a number of small claims in Namibia in the early 1970s, both in joint ventures with other companies and independently. The Johannesburg *Star* reported on 4 November 1970 that a wholly owned subsidiary of the Bethlehem Steel Corporation Ltd., Bethlehem Steel (Pty.) Ltd., began prospecting for fluorspar at Grootfontein with Tsumeb in late 1970.

57. The corporation also participated in a number of joint prospecting agreements with Anglo-Transvaal Consolidated Investment Co. (Anglovaal) in the early 1970s. One of these ventures, in Namibia, was through the African Triangle Company, in which Tsumeb Corporation held a 20 per cent interest (United States Steel acquired a 15 per cent interest in 1969 which was later increased to 30 per cent). Other shareholders included De Beers Consolidated Mines Ltd. and the Anglo-American Corporation, both of South Africa.⁹⁷ The African Triangle Company held prospecting rights over a total of 1,500 square kilometres in several separate areas in the vicinity of Rehoboth and Gobabis and was reported in 1969 to be taking samples at Witvlei, an area 150 kilometres east of Windhoek. However, in April 1971 Anglovaal made a formal announcement that prospecting operations in the Witvlei area were being "curtailed".⁹⁸

58. Tsumeb also carried out joint exploration in conjunction with Anglo-Transvaal Consolidated Investment Co. (Anglovaal) through the Gamma Mining and Prospecting Co. in the early 1970s. This agreement, however, was discontinued at the end of 1975 because of discouraging results and the joint venture relinquished its rights in the Gamma Mining and Prospecting Co. at that time.⁹⁹

59. The corporation also participated in a joint venture copper prospecting project in Botswana managed by United States Steel Corporation. As a result of discouraging results, Tsumeb Corporation withdrew from further participation in that project in January 1975.¹⁰⁰ The corporation conducted more successful prospecting in an area near the Kombat mine. Tsumeb Exploration (75 per cent equity held by Tsumeb Co.) began exploration work in 1971 at the Asis Ost mine near Kombat. This property was also mined by OMEG in the early half of the century. The exploratory work resulted in the Asis Ost copper/lead mine beginning production in September 1974. Asis Ost operated until it was shut down, along with the Kombat mine, in 1976 as a result of declining copper prices.

60. In 1975 Tsumeb began development of the Asis West deposit that lies between Asis Ost and Kombat. This copper/lead deposit straddles the border between

the property that is owned outright by Tsumeb Corporation and that which is 75 per cent owned by Tsumeb through Tsumeb Exploration. Exploratory drilling in 1975 delineated ore reserves of about 900,000 metric tons averaging 7.18 per cent copper and 4.82 per cent lead. Of that tonnage about 200,000 metric tons averaging 9.34 per cent copper and 4.13 per cent lead was within the Asis mining area at Kombat, owned 100 per cent by Tsumeb. The remaining 700,000 metric tons averaging 6.75 per cent copper and 5.02 per cent lead was within the area of the joint Tsumeb/South West Africa Corporation claim. Access to the deposits at Asis West are through underground development at the adjacent Kombat mine, and in October 1978 when the Kombat mine reopened, the Asis West section opened for the first time.

61. In 1980 Newmont reported that underground exploration was beginning at the Tschudi Prospect about 20 kilometres west of Tsumeb. The program was undertaken, according to the company, to confirm information derived from surface drilling and to provide bulk samples of ore for metallurgical testing.

62. Further information on Tsumeb's prospecting rights is difficult to obtain. Economist Roger Murray reported that "as of 1976, Tsumeb had exclusive prospecting rights for all minerals on farms in the Keetmanshoop and Okahandja districts and a total of 43 registered claims in the Grootfontein, Rehoboth and Windhoek districts".¹⁰¹ In addition, Murray lists the following claims:

(a) For SWACO

- (1) All minerals, excluding oil, salt, gypsum, limestone and source materials; 58,011 hectares, Tsumeb district. 2/1/67 - 1/1/72 renewed to 2/1/77. (No. 48)
- (2) Same grant, 24,546 hectares, Tsumeb district. (No. 50)
- (3) Same grant, 18,070 hectares, Grootfontein district. (No. 51)

(b) For Tsumeb Corporation

- (1) All minerals, 6 farms, Okahandja district. 20/9/74 - 19/9/76. (No. 404)
- (2) All minerals, 5 farms, Keetmanshoop. 20/5/75 - 19/5/77. (No. 455)

The Tsumeb Corporation may be engaged in other prospecting activities, but information on this subject is difficult to obtain.

4. Production

63. The Tsumeb Corporation first brought its main Tsumeb mine into production in 1948, just one year after the company acquired the property. Since then the company has reaped enormous profits from its four main operating mines in Namibia. Speaking only of the main Tsumeb mine, one local historian commented, "No mine . . . ever returned so large a cash flow for such a relatively small investment as Tsumeb".¹⁰² The gross values of metals produced by Tsumeb Corporation since it began operations in 1947 is now well over a billion dollars. Tsumeb's mines are generally credited with about 80 per cent of Namibia's base-metal production.

64. In addition to the main Tsumeb mine, the corporation now operates three other subsidiary mines: Kombat/Asis West, Matchless and Otjihase. Produc-

tion at the Kombat copper/lead mine began in 1962, at the Matchless copper/pyrite mine in 1970 and the corporation bought a 70 per cent interest in Otjihase copper mine in late 1980.

65. Tsumeb Corporation also holds a 75 per cent equity in Tsumeb Exploration Company (the remaining 25 per cent equity is held by South West Africa Company) which operates the Asis Ost (temporarily closed) and Asis West mines near Kombat. Asis Ost began production in September 1974 and was placed on a care-and-maintenance basis when Kombat was temporarily closed in 1976. As of 1982, Tsumeb was still maintaining Asis Ost on a care-and-maintenance basis. Access to mineral deposits at Asis West is gained through the Kombat mine, and production began when Kombat was reopened late in 1978.

66. The primary minerals mined by the Tsumeb Corporation are copper, lead and zinc. In addition the corporation also produces and sells silver, refined cadmium and several grades of arsenic oxide. Gold is also produced in small quantities and a substantial amount of pyrite is produced at the Matchless and Otjihase mines. The corporation also produces lime and silica for its own use.

67. In addition to mining ore and producing concentrates at flotation mills at mine heads, Tsumeb Corporation also operates the only copper and lead smelters in Namibia. Smelting operations have included both smelting of Tsumeb's own concentrates and smelting on a toll or purchase basis of concentrates from other mines in Namibia and South Africa. Zinc and silver concentrates are also exported in significant quantities for custom smelting primarily in Europe. Production for the Tsumeb mines is included in table 8 below.

(a) *Tsumeb mine*

68. The Tsumeb mine is one of the richest mineral deposits in the world and has a profitability probably unmatched in recent history. This mine alone accounted for over 80 per cent of the base-metal production in the early 1970s. Before the Tsumeb Corporation took over the mine in 1947, the former owners had mined 330,000 tons of lead and 180,000 tons of copper, most of it in the form of direct shipping ore.¹⁰³ When Tsumeb Corporation first began operating the mine in 1947, the ore was 9.5 per cent copper and 29.3 per cent lead.¹⁰⁴ By 1981 the ore was 3.61 per cent copper and 7.32 per cent lead. By comparison, the copper content at the second largest copper mine in the United States averages only 0.7 per cent. Clearly a major factor in the profitability of the company has been the enormous mineral resources of Namibia.

69. Facilities for production at the Tsumeb mine include the underground mine; steam and diesel power plants; a flotation mill, sulphuric acid, arsenic and cadmium plants; a copper smelter and lead smelter and refinery; employee housing and recreational facilities and a hospital. Tsumeb runs the area surrounding the mine as a company town, including ownership of a vegetable farm and a large beef herd to provide food for employees.

70. The Tsumeb mine has been operating virtually non-stop, except for strikes, since it was reopened by the company in 1947. By March of 1948 the company had installed the first grinding and flotation section for processing of ores into concentrates and, by June 1949, the mine had produced 133,000 tons of new ore.¹⁰⁵

71. In recent years, production at the Tsumeb mine has gone down (table 8), as indicated by the declining percentages of copper and lead in ore mined, but Tsumeb remains the richest base-metal mine in the country. Production at the main Tsumeb mine reached a peak in 1974; the decline immediately following 1974 was due to declining metal

prices that limited the company's ability to develop the mine further. Lower production figures combined with declining percentages of copper and lead in the ore indicate that the actual wealth of the Tsumeb mine has been seriously depleted over the past three decades.

TABLE 8. TSUMEB CORPORATION MINES, PRODUCTION 1966-1981¹⁰⁶
(Ore produced to nearest thousand metric tons, ore tenor in per cent)

	1981	1980	1979	1978	1977	1976	1975	1974
Tsumeb								
ore	494	498	474	466	445	443	424	421
per cent Cu	3.61	3.61	4.38	4.95	4.71	4.25	4.27	4.36
per cent Pb	7.32	7.13	6.27	7.01	7.79	9.04	9.73	10.06
per cent Zn	2.08	2.26	1.66	1.68	2.04	2.39	2.47	3.20
Kombat/Asis West								
ore	310	347	319	41	- ^a	54	306	353
per cent Cu	2.99	2.72	2.9	2.23		1.49	1.31	1.19
per cent Pb	1.92	2.26	2.23	1.66		1.92	2.17	2.62
Matchless								
ore	112	127	115	110	111	102	102	108
per cent Cu	2.37	1.82	2.22	2.49	2.23	2.40	2.72	1.93
Otjihase (Tsumeb 70 per cent as of December 1980)								
ore	207	4						
per cent Cu	1.54	1.69						
	1973	1972	1971	1970	1969	1968	1967	1966
Tsumeb								
ore	448	439	523	518	538	527	660	718
per cent Cu	4.1	3.37	2.44	3.51	3.38	3.66	4.32	4.4
per cent Pb	11.51	11.49	12.22	12.29	12.89	10.51	9.98	11.37
per cent Zn	2.65	3.20	3.91	3.91	4.10	3.10	2.95	3.66
Kombat								
ore	364	377	384	382	386	324	294	292
per cent Cu	1.67	1.3	1.76	2.24	1.79	2.6	1.91	2.42
per cent Pb	1.88	1.47	1.90	1.77	1.92	1.46	1.37	2.02
Matchless								
ore	102	12 ^b	91					
per cent Cu	2.23	0.81	0.99					

^a Production at Kombat was suspended in March 1976 because of unprofitability at current metal prices. Production was resumed in October 1978 and Asis West mine was opened for the first time.

^b The Matchless mine was closed in March of 1972 and reopened in February 1973.

72. Estimates on the remaining lifetime of the mine are questionable at best. Notable among examples of how hazardous are company predictions of remaining lifetime: Amax's predictions both in 1974 and again in 1977 that Tsumeb's remaining lifetime was "about 15 years". Newmont's 1981 Annual Report gives proven reserves at the Tsumeb mine of 3,528,000 metric tons averaging 4.27 per cent copper, 5.99 per cent lead and 1.77 per cent zinc. It is clear that the Tsumeb mine is approaching the end of its profitable life span.

(b) Kombat mine

73. The Kombat copper/lead mine 48 kilometres southwest of Tsumeb was opened in 1962. Facilities include, in addition to the mine, a power plant, the flotation mill and employee housing. Production increased steadily to a peak of about 390,000 metric tons per year in the early 1970s.

While the main Kombat mine is owned by Tsumeb Corporation Limited, two mines adjacent to Kombat are owned by the Tsumeb Exploration Corporation. The Kombat/Asis West mines produce copper, lead and small amounts of silver.

74. Tsumeb Exploration was established in 1947 as a private company, owned by Tsumeb Corporation Limited (75 per cent) and the South West Africa Company (25 per cent), to explore land concessions granted to the South West Africa Company (SWACO) in the first half of the twentieth century. Tsumeb Corporation Limited gets a 75 per cent share of any profits from ore mined at the Asis Ost and Asis West mines next to Kombat with the remaining 25 per cent going to SWACO. For purposes of this study, however, all three mines are treated as one unit, except for the breakdown of production activities that follows.

75. The Tsumeb Corporation reopened the Kombat mine in 1962. Kombat, like the larger Tsumeb mine, had

been operated by OMEG from 1908 to 1925, when it was closed because of flooding. The mine operated profitably until March 1976 when, because of falling metal prices, the mine was placed on a care-and-maintenance basis. In September 1974 the Asis Ost mine was opened in the adjacent site owned by Tsumeb Exploration Company and that mine produced until it was temporarily closed in March 1976 along with Kombat. In 1975, Asis Ost's only full year of production, 23,900 tons of ore were produced. Ore reserves at the Asis Ost mine were estimated in 1975 to include 238,000 metric tons averaging 2.81 per cent copper and 0.71 per cent lead.¹⁰⁷ The Asis Ost mine has been maintained on a care-and-maintenance basis since it was closed in 1976.

76. Late in 1975 development work began on the Asis West mine, also owned by Tsumeb Exploration Company. The company decided to exploit the Asis West deposit by extending the existing main mine shaft of Kombat into the Asis West area. Although the Kombat mine was not producing between March 1976 and October 1978, development work on Asis West continued throughout that period.

77. A quick glance at the figures for copper and lead content (table 8) of the ore indicates that, of the two mines operating in the general Kombat area, the Asis West mine is the richer, although neither approaches the metal content of ore mined at the main Tsumeb mine. In 1981, as a result of declining metal prices, production at two of the Kombat mine's three operating shafts was suspended, permitting increased production of high-grade copper ore at the remaining Kombat shaft and at Asis West.

78. According to Newmont's 1981 Annual Report, proven and probable ore reserves at the Kombat and Asis Ost mines at year-end 1981 were: 2,233,000 metric tons of ore averaging 1.83 per cent copper and 1.93 per cent lead. Reserves at Asis West, year-end 1981, were 832,000 metric tons of ore averaging 4.75 per cent copper and 2.24 per cent lead. These figures, however, are not reliable. Between 1980 and 1981, while the company continued to mine the Asis West deposit, the "proven and probable" ore reserves figure increased by 120,000 metric tons.

(c) *Matchless mine*

79. The corporation brought the Matchless mine, located south-west of Windhoek, into production in mid-1970 for a development cost of about \$5 million. The mine produces copper and pyrite concentrates, and a small amount of silver. In 1971 the mine was brought up to a full production rate of 454 metric tons of ore per day. Copper concentrates from the flotation mill at Matchless are smelted at the Tsumeb smelter and pyrite concentrate (sulphur) production is used in the smelting process at Tsumeb. Until the Matchless mine began producing, Tsumeb had imported pyrite for use in the smelters. Production at Matchless enabled the corporation to replace imported pyrite with Matchless concentrate.

80. The mine was brought up to full production in 1971 but then suspended operations in March 1972 because of low copper prices and the contract labour strike. Matchless was reopened in February 1973 and has continued to produce about 112,000 metric tons of ore per year since then. At the end of 1977, development of the Matchless mine was suspended as a result of low metal prices, but proven ore was sufficient to allow mining for one year until development work was resumed in 1979.

81. The Matchless mine produced the smallest amount of metal of all the company's operating mines in 1981 and,

according to Newmont's Annual Report for 1981, proven and probable ore reserves at year end were only 740,000 metric tons.

(d) *Otjihase mine*

82. Tsumeb Corporation entered into a joint venture with the Otjihase Mining Company in December 1980 to reopen the Otjihase mine which had suspended operations at the end of 1977. The mine is a sulphide ore body that primarily produces copper, but also has recoverable quantities of zinc, minor gold and silver, and large quantities of magnetite and pyrite. Although the mine only began producing for the Tsumeb Corporation in 1980, the actual development of the mine occurred more than five years earlier.

83. The Otjihase mine was originally opened by the Otjihase Mining Company in late 1975. Total pre-production expenditure amounted to R 41.7 million. The mine was not actually commissioned on commercial terms until July 1976.¹⁰⁸ In its first 18 months of operation (to the end of 1977), Otjihase never reached targeted monthly milling rate of 100,000 metric tons per month, because of a combination of technical problems and the declining profitability as a result of falling copper prices. During the year to 30 June 1977 a total of 930,000 metric tons of ore with an average grade of 1.94 per cent copper was mined, producing 15,850 metric tons of blister copper.

84. The second copper smelter at Tsumeb was built in 1976 to process copper concentrates from the Otjihase mine. Because the mine never reached targeted production rate and was eventually placed on a care-and-maintenance basis, substantial penalty fees were paid to Tsumeb for breach of the smelting contract. Penalty fees were also paid to Rossing Uranium, which had a contract with Otjihase for purchase of pyrites that are needed for the uranium mine's oxide treatment plant.

85. By the time the mine was placed on a care-and-maintenance basis in January 1978, the Otjihase Company had spent over R 63 million on the mine and, with the price of copper still relatively low, the company decided to wait until market conditions were more favourable before continuing development.

86. During 1979-1980 a further R 2.0 million was spent on underground drilling and development and, in December 1980, Tsumeb acquired an undivided 70 per cent share in the mine for \$41,133,000 in payments stretched out over the next few decades. Tsumeb also had the option of applying up to 30 per cent of the money it spent on development of the mine towards the purchase price. According to Newmont's Annual Report, the agreement provides for Tsumeb to be operator of the property in a joint venture in which the Otjihase Company retains a 30 per cent share.

87. When the Otjihase Company was originally established to exploit the property in the early 1970s, the company was a joint venture in which Johannesburg Consolidated Investments (JCI) held 52.5 per cent and Minerts Development held 47.5 per cent. JCI subsequently reduced its holdings in the company to 49 per cent.

88. In the last months of 1980 Otjihase produced a small amount of copper concentrate and development of the mine continued through 1981. In March 1982, the Otjihase mine reached its planned production rate of 65,000 metric tons per month. The smelting equipment originally installed in 1976 to handle concentrates from Otjihase was rehabilitated in 1981 and put into service in January 1982.

89. Proven and probable ore reserves at Otjihase at year-end 1981 totalled 8,090,000 metric tons averaging 2.31 per cent copper according to Newmont's 1981 Annual Report. The Otjihase mine will certainly be a key component of Tsumeb Corporation in the next decade.

(e) *Smelters*

90. In addition to Tsumeb's four main mines, the Tsumeb Corporation operates a smelter complex which produces blister copper, refined lead, and by-products including high-quality cadmium metal and arsenic (silver and zinc are treated to the concentrate stage only). The original copper and lead smelter complex was brought into production in late 1963 at a cost of R 16 million including costs of additional housing and water supplies. The metallurgical process involved in smelting and refining operations includes a blast furnace, reverberatory sintering, roaster and converter machinery. In the smelter's first full year of operation, 1965, Tsumeb produced 32,418 tons of blister copper and 63,091 tons of refined lead.¹⁰⁹ By the early 1960s, the corporation was also producing germanium, a metal which was in great demand for manufacturing transistors. According to Newmont's official company history, the Tsumeb mine first began recovering germanium in the late 1950s and, "using a combination of flotation and magnetic separation in ferro-filters", produced a concentrate carrying about 0.39 per cent germanium. At first this concentrate was simply shipped to Belgium for treatment, but by 1960 the company had developed a "leach-evaporation-distillation process for producing germanium oxide from a low-grade flotation concentrate". The end product was a white, granular powder assaying 98.7 per cent germanium dioxide. The germanium plant's capacity was doubled in 1962 and, in that same year, Tsumeb built a plant to provide sulphuric acid for the germanium plant and for the cadmium leaching plant. A slump in the world demand for germanium, caused by over-production and substitution, caused the company to close the plant in September 1983. The corporation continues to produce cadmium for export and small amounts of sulphuric acid for its own use and sells pyrite concentrate from Otjihase to Rossing Uranium for making sulphuric acid.¹¹⁰

91. By 1966 the smelters were able to mill all current production at both of Tsumeb Corporation's operating mines (Tsumeb and Kombat). Previously, some of the metal concentrates had been shipped abroad for smelting. The company's zinc concentrates are still (1983) shipped overseas for custom smelting. By 1966 the corporation was also operating its by-product processing plants that produced high-quality cadmium and arsenic for sale.

92. The Tsumeb Corporation operates the only copper and lead smelters in Namibia and, by the early 1970s, was smelting copper on a toll basis from other mines in addition to the corporation's own concentrates. Tsumeb also purchased small amounts of copper and lead from other producers, including non-Namibian mines. By 1975 substantial amounts of copper and lead concentrates were being smelted and refined from other Namibian mines including Oamites, Klein Aub (copper), Berg Aukas, and Rosh Pinah (lead).¹¹¹ The corporation also purchased concentrates from South African mines for smelting. In 1976, the U.S. Bureau of Mines reported that Tsumeb also imported lead concentrate from the United States for refining and re-export. Smelter and refinery production of concentrates from non-

Tsumeb Corporation mines amounted to 26 per cent of smelter production in 1975.¹¹²

93. The capacity of the smelters was eventually brought up to 95,000 metric tons of copper and 75,000 metric tons of lead a year.¹¹³ In 1976, the capacity of the copper smelter was increased to 127,000 metric tons per year by the construction of an additional reverberatory furnace. This expansion was completed at a cost of \$11.5 million in order to permit the corporation to smelt concentrates from the Otjihase mine, then a subsidiary of Johannesburg Consolidated Investments. Capital for the expansion was provided by an \$11.5 million loan raised on international capital markets.

94. The Otjihase mine was commissioned in late 1975 by JCI (52.5 per cent equity) and Minerts Development (47.5 per cent equity), at a cost of R 41.7 million. The mid-1970s, however, were a period of falling copper prices and by January 1978 Otjihase was placed on a care-and-maintenance basis. The number two copper smelter at Tsumeb operated for only about one year and was closed in January 1978 when the Otjihase concentrate was depleted. Production at the number two smelter for 1977 was 17,396 tonnes of blister copper.¹¹⁴

95. After the number two smelter was closed down, the Otjihase Company paid Tsumeb penalty fees for breach of contract for three years until the Tsumeb Corporation took over a 70 per cent interest in the Otjihase Company in late 1980. Tsumeb received a total of R 3,663,000 in compensation for lost toll revenue between January 1978 and December 1980. The number two Tsumeb smelter was rehabilitated during 1981 and brought back into service in January 1982.

96. The Tsumeb Corporation also decided, in 1974, to begin engineering work on an electrolytic copper refinery in the Cape Town area in South Africa as a joint venture with the O'okiep Copper Company Ltd (a subsidiary of Newmont). Tsumeb has a 58 per cent interest in the refinery which is planned to have a capacity of 120,000 metric tons per year of cathode copper. The refinery was planned to treat all of O'okiep's and Tsumeb's blister copper production. Although engineering and construction were begun in 1974, the project was deferred in February 1975 because of unfavourable economic conditions.¹¹⁵ As of 1980 Tsumeb's share of the cost incurred on that project was \$4.354 million, most of which was spent before the project was deferred in 1975. Total cost of the project was estimated at R 23 million, but construction of the refinery is unlikely to be reconsidered until the price of copper improves.

5. *Contracts, sales and exports*

97. According to Newmont, a major portion of Tsumeb Corporation's sales are under short-term contracts and information on these contracts is difficult to obtain. A major portion of TCL's refined lead production goes to South Africa, which until late in 1979 had no lead production of its own. Tsumeb still provides a substantial portion of South Africa's lead needs.

98. Tsumeb's blister copper is shipped abroad for refining in larger refineries such as Norddeutsche Affinerie (Metallgesellschaft) in West Germany and Hoboken-Overpelt SA in Belgium. Japan is the largest buyer of Tsumeb's metals, followed in order by Belgium, Italy and the Federal Republic of Germany. Table 9 shows how Newmont lists the distribution of the company's sales.¹¹⁶

TABLE 9. DISTRIBUTION OF TSUMEB CORPORATION SALES
BY COUNTRY, 1978-1980
(Millions of US dollars)

Market	1980	1979	1978
Domestic	38.0	26.7	16.2
Austria	10.3	8.0	5.6
Belgium	37.8	12.5	3.3
France	0.0	0.45	13.4
Germany, Federal Republic of	13.6	10.2	7.1
Italy	20.2	19.5	12.0

Japan	38.9	33.2	15.7
Republic of Korea	0.13	0.25	0.0
Spain	2.7	10.4	0.0
United Kingdom	0.55	9.7	13.1
	162.18	130.9	86.4

According to Newmont, Tsumeb's "sales to a single customer accounted for 22 per cent and 13 per cent of consolidated sales in 1980 and 1979, respectively". Table 10 gives figures for metal sales in the period between 1966 and 1981.¹¹⁷

TABLE 10. SALE OF MINERALS BY TSUMEB CORPORATION, 1966-1981 (Pb, Cu, Zn, Ag)

	1981	1980	1979	1978	1977	1976
Lead ^a (metric tons)						
Tsumeb mine	24 470	35 500	29 100	38 400	33 750	29 400
Custom metals	9 200	8 500	4 400	1 500	6 660	4 600
Copper ^b (metric tons)						
Tsumeb mine	22 735	28 650	31 100	31 300	18 450	13 000
Custom metals	3 200	1 500	1 600	1 200	1 530	6 750
Zinc ^c (metric tons)	-	-	0	1 000	1 200	2 000
Silver (million ounces)	2.74	2.84	3.09	3.0	1.4	1.13
Sales (Millions of rand)	86.78	125.8	110.1	75	52.9	44.9
	1975	1974	1973	1972	1971	
Lead ^a (metric tons)						
Tsumeb mine	43 900	46 500	55 400	45 400	67 400	
Custom metals	8 700	14 500	11 900	5 000	-	
Copper ^b (metric tons)						
Tsumeb mine	23 200	23 900	21 200	20 000	22 600	
Custom metals	7 800	7 500	8 300	5 500	-	
Zinc ^c (metric tons)	1 500	1 800	2 800	3 900	7 400	
Silver (million ounces)	1.32	1.45	1.47	1.11	-	
Sales (millions of US dollars)	75.3	107.3	84.6	48.23	77.39	
	1970	1969	1968	1967	1966	
Lead ^a (metric tons)	62 900	62 900	62 000	80 500	91 500	
Copper ^b (metric tons)	30 000	28 500	32 900	34 500	35 300	
Zinc ^c (metric tons)	7 100	8 600	6 400	4 200	9 400	
Silver (million ounces)	-	1.3	1.35	1.45	1.52	
Sales (millions of US dollars)	70.8	61.8	62.7	63.4	81.6	

^a Refined lead.

^b Blister copper.

^c Zinc concentrates.

99. According to Amax's 1977 report on Tsumeb, "virtually all the metals produced at Tsumeb are transported on a 400-mile (645 km) government-owned railway to Tsumeb's loading plant at the Atlantic port of Walvis Bay, where they are exported, primarily to Europe and Japan". As is evident from the figures presented in table 9, the company still exports most of its production.

100. The port of Walvis Bay has modern equipment for the loading of metal products and Tsumeb Corporation has its own facilities at the port. Tsumeb's lead and zinc output is exported primarily to South Africa. Since 1969, the Namibian zinc output has been sold for refining to the South African state-owned Iron and Steel Industrial Corporation.

6. Employment information

(a) General

101. Working conditions for black employees at Tsumeb Corporation's mines are among the poorest of any major mining company in Namibia. Although Tsumeb raised wages substantially following the 1972 contract workers' strike, the average wage received by Tsumeb's 4,382 black workers in 1979 was still well below the poverty level. White workers, by comparison, receive an average wage almost nine times as great.

102. Tsumeb Corporation runs the area surrounding the mines as virtual "company towns", with workers having

no option but to live in company compound housing, eat food from the company farm, and operate totally in an environment controlled by Tsumeb. Most of the company's black work force at the main Tsumeb mine live in dormitory-type housing (12 men to a room) with no option of living with their families. The company has built a small number—185 as of 1980—of houses for workers and their families, and Tsumeb claims that efforts to provide more housing have been held up because of the difficulty of getting permission from the South African supported “tribal governments” to house workers and their families at the mines. These claims, however, have been replaced more recently with company explanations that earnings are not high enough to provide the funds for building employee housing.

103. Working conditions and wages for workers at the Tsumeb Corporation's mines compare unfavourably even with conditions at mines run by such other major multinationals as Consolidated Diamond Mines (CDM). Although conditions at CDM can scarcely be considered ideal, workers in the diamond mines are generally acknowledged to receive significantly higher wages, and although workers at CDM are also housed in compound-type housing, it is generally of much better quality. Perhaps the most significant comparison of working conditions is that between white and black workers. Tsumeb provides housing for white employees, often rent-free, and their wages, as table 11 indicates, are at least nine times higher than those paid to black workers. The company provides for black worker representation only through elected workers' advisory committees.

(b) Number of employees

104. In 1979 the Tsumeb Corporation had a total of 5,695 workers, of whom 4,382 were blacks and 1,313 whites. At that time the corporation stated that more than 90 per cent of the blacks were migrant contract workers.¹¹⁸ The number of workers Tsumeb employs has probably increased by about 1,000 (90 per cent black) as a result of the opening of the Otjiase mine. The *Windhoek Observer* reported that Tsumeb had 7,000 workers in July 1982. In 1977 the breakdown of which mines blacks worked on was as follows.¹¹⁹ Tsumeb mine: 3,933; Kombat mine: 230; Matchless mine: 330; Tsumeb's farms: 240.

(c) Wages

105. Information on wages paid to either black or white workers at Tsumeb's mines is difficult to obtain. The company maintains that releasing information on wages “would make sensitive negotiations with the white unions and the government for further progress more difficult and uncertain”.¹²⁰

106. What wage figures are available are usually reported in different terms, gross wages per month (all shifts), gross wages per month (per shift), or cash wages, or minimum wages per shift. These differences make it difficult to compare wage rates from year to year.

107. Although it is difficult to collect completely accurate data, it is clear from the wage rates listed in table 11 that Tsumeb Corporation's pay scales have not improved to anywhere near a living wage. In April 1978, researchers from the University of Port Elizabeth calculated that the household subsistence level for a black family of six in Windhoek was about R 161. One year later Tsumeb's *mini-*

mun wage (including non-cash benefits) was still much lower than this bare subsistence level.

108. According to the company, wages are granted strictly according to employee skills and job performed. Tsumeb adopted a single unified pay scale in 1977, which meant that jobs were divided into a number of different categories, and then the company announced that wages within a given category would vary between a minimum and maximum wage for each category. In practice, white workers are employed almost exclusively in the top categories and black workers in the lower categories.

109. Although it is difficult to tell exactly how much white workers make compared to black workers, it is clear that the difference is still (1983) substantial and that the gap between wages paid to whites and those paid to blacks has, in fact, increased. In addition, by the company's own figures, only 65 black workers have been advanced to jobs traditionally held by whites.¹²¹

TABLE 11. AVERAGE MONTHLY WAGES, TSUMEB CORPORATION 1971-1979

	1971	1975	1976
Black minimum	R 17(\$24) ^a	—	—
White minimum	\$444. ^a	—	—
Black average	\$63.95 ^b	\$120. ^b / \$65. ^c	\$82.80 ^c
White average	\$494.11 ^b	\$750. ^b / \$603. ^c	\$701.50 ^c
	1977	1978	1979
Black average	\$97.80 ^c	\$106.60 ^d	\$123.66 ^e - \$130.15 ^f
White average	\$774.00 ^c	—	\$1,133.07 ^f

^a Tsumeb advertisement in Johannesburg *Sunday Times* (26/9/71), cited in Rogers, United States House of Representatives, 1972.

^b Report of United Nations Council for Namibia, volume 1, 1976, page 33. Cited in Cronje & Cronje, 1979, page 43.

^c Tsumeb Corporation figures quoted in IRRC, 1978, Analysis T.

^d Calculated from December 1977 base year Tsumeb figures plus Newmont's 1978 Annual Report figures of “wages on grades predominantly occupied by Africans increased by 9.0 per cent”. Average increase for all wages and salaries was 7.1 per cent.

^e Calculated from 1978 figures, see note *d*, plus Newmont's 1979 Annual Report figures that “wages in lower grades increased by an average of 16 per cent.”

^f Figures calculated by Roger Murray, 1982, pages 6-16.

(d) Employment conditions

110. In 1979, most of the company's 4,382 blacks were migrant workers on one-year contracts.¹²² The company has had a reputation as one of the worst employers of migrant labour in Namibia.¹²³ The company's mines are run as virtual “company towns”: the corporation has farms and cattle to provide food for workers and, while Tsumeb provides housing for white employees, most of the black work force lives twelve-men-to-a-room in “single” men hotels.

111. The company has consistently refused to provide accurate, comparable figures on wage rates. In 1977 the average cash wages paid to white and black workers per month were reported as \$774 for whites and \$97.80 for blacks.¹²⁴ Wages for black workers, however, are a bit deceptive as about 45 per cent of the wages the company reports is in the form of “non-cash” payments such as housing for migrant workers and food and clothing.

112. The size of the corporation's labour force has remained relatively constant over the past few years, although a few additional workers were added to bring the Otjijase mine into production in 1981.

113. In 1973 the company announced a programme to provide housing for black employees. But as of 1980 only 185 black employees occupied houses with their families.¹²⁵ The bulk of Tsumeb's contract workers at the main Tsumeb mine live in migrant-worker compound housing built when the mine first began operating in the 1940s. The company claims to be building housing for more contract workers but has stated that, with the depressed level of copper prices, the company is unable to upgrade housing because Tsumeb "is not making a lot of money now".¹²⁶ Housing at Tsumeb Corporation's Kombat and Matchless mines is all in the form of "single" men's hostels, the company's only concession being to provide a few "Monday apartments" for visiting families of black mine workers.

114. In the late 1970s the corporation instituted training programmes for black employees and in 1979 Newmont stated that 15 black employees were in apprentice school. By year-end 1980 a total of 23 blacks were in apprentice school and the corporation was also instituting training programmes for various other tasks at the mine which do not require extensive training programmes. Yet by the end of 1981 only 65 black employees had advanced to jobs traditionally held by whites and the training programmes for artisan aides were being scaled down because all available jobs were filled and turnover is low. Newmont's 1981 Annual Report did note that a technical training programme tested in 1981 was successful and further training would take place in 1982, but all of the company's training programmes appear to be small and the bulk of Tsumeb's black work force remains in the least skilled jobs at the company's mines.

115. It is only in the last five years (1978-1982) that the company has begun seriously to take action to improve the living and working conditions of black workers and to begin training programmes. And yet these programmes have not been introduced on a scale that affects a significant percentage of the corporation's over 4,000 black workers. The corporation's interest in the welfare of its black work force appears to date back to the 1972 contract workers' strike that forced Tsumeb to close down its main mine and resulted in the bulk of the corporation's migrant force stopping work. In 1973 the Newmont Corporation's Annual Report began mentioning efforts to provide housing for black migrant workers other than the migrant hostels. And by 1975 Newmont reported Tsumeb's efforts to build 500 homes for black workers. It was not until 1976 that work on these houses was actually begun and, as of 1980, only 185 black employees had moved in. Progress at this rate can scarcely be considered speedy and, with reduced earnings, the corporation is unlikely to increase these efforts to any large degree.

116. At present (1982) the only type of company sanctioned representative organization for black workers at Tsumeb Corporation's mines is the elected Workers' Advisory Committee established in early 1973 following the contract labour strike. Before 1973 labour negotiations were carried out between the company and a compound advisory committee.

(e) *Labour organizing*

117. The most accurate picture of labour relations comes from those who work in the mines and, if strikes and

work stoppages are a gauge, then working conditions at Tsumeb's mines are bad. Company efforts beginning in 1973 to improve employee housing and set up new workers' advisory committees can be seen as a response to the large-scale migrant worker strikes in 1972 that, by the company's own records, saw 3,400 of the 3,700 migrant workers at the main Tsumeb mine walk off the job. And, although the company's wages for black workers are on average far below subsistence level and even further still below white wages, the cash wage for black miners has risen substantially in the past few years as a result of strikes and other pressures on the company. For instance, in December 1978 mine workers at the main Tsumeb mine were reported to be making pay demands and it was only shortly after notices of these demands began appearing in the press that the company granted wage hikes.¹²⁷ Tsumeb Corporation's managing director said at the time that "uneasiness and unrest among mine workers" elsewhere in Namibia had "necessitated an adjustment".¹²⁸

118. The company's recent improvements in working conditions can also be seen in a context of growing labour unrest. It is no coincidence that the company's efforts to begin training programmes, provide better housing and raise wages all came after periods of strikes and worker actions. In addition, company training programmes are a response to the shortage of skilled white workers in Namibia. In the late 1970s the company conducted an extensive advertising campaign to recruit skilled workers and in 1979 Newmont's Annual Report noted that Tsumeb experienced a shortage of skilled miners at the Kombat mine during the first part of the year. These recruitment activities are most certainly aggravated by the guerrilla activities of the forces of SWAPO. In early 1982, in fact, SWAPO forces conducted operations in the Tsumeb area for an extended period of time. In the face of escalating guerrilla activity recruiting skilled white workers might be difficult. But if high paid white workers could be replaced by much lower paid black workers then the company would experience a substantial saving in labour costs. Tsumeb's 1979 annual report, in fact, notes that the company has already achieved some savings by training black workers to take on certain tasks associated with the copper smelting process.

(f) *Strikes and labour relations*

119. The history of recorded strikes at Tsumeb's mines dates back to 1948, when 2,000 workers went out in protest after a 13-year-old white youth shot and killed a black worker.¹²⁹ In 1963 Vinnia Ndadi described conditions at the main Tsumeb mine as follows:

"Work began at 7 a.m. and quit at five. There was no lunch break. We ate breakfast in the compound; sour porridge, mealie bread and black coffee—it was often so bad I couldn't eat it. We got our food at the kitchen and took it to our rooms, about 14 feet (4.3 m) square with concrete tables and concrete bunks for 16 men. We had to keep our room clean, scrubbing it down on Sundays, our only day off . . . More than 4,000 workers lived in one huge compound. It had a high wall and only one gate, guarded by police."¹³⁰

120. Although wages and living conditions have improved somewhat in the last twenty years, black workers at Tsumeb Corporation's mines still live in that same contract-worker housing referred to above. The most striking changes in working conditions followed the 1972 contract workers' strike. That strike, which began on 13 December 1971 and ended 20 January of the next year,

began in Windhoek among contract workers at the canneries and, at its peak, 13,000 workers were on strike according to the official South African government count (unofficial estimates put the figure at around 20,000).

121. The company reported that at the main Tsumeb mine 3,400 of 3,700 Ovambos "chose to return to homes in Ovamboland", a result of the strike.¹³¹ Other reports indicate that workers walked off the job and then were forced to go back to the north as a result of company actions.

122. Although there are conflicting reports about the effect of the strike on Tsumeb Corporation, it seems clear that the company's mines were practically closed down. Newmont reported in 1972 that the main Tsumeb mine and copper smelting facilities operated at one-third capacity and that the lead smelter was closed down. The company went on to say that as a result of the strike the Tsumeb Corporation was not able to hire "a full complement" of workers again until the last half of 1982.

123. Following the strike, Tsumeb Corporation raised the black workers' minimum wage 27 per cent for surface workers and 31 per cent for underground workers (Newmont, Annual Report, 1972). The company reported that following the strike the minimum wage for black workers was about R 17 (\$24) per month, a wage that is only a little over half that paid by Consolidated Diamond Mines at the time (CDM's minimum was R 31.30 (\$43.70)).¹³² The lowest wage for white workers at Tsumeb, at that time, was \$444 per month, plus bonuses and fringe benefits.

124. Three years later Tsumeb's wages and working conditions were still considered out of line with even the poor wages paid to black miners in South Africa. A report by the Anglo-American Corporation in 1975 noted that "the black labour, mainly Ovambos, are definitely lower paid than their counterparts in South African mines".¹³³ Tsumeb reported in 1977 that the average wage for black workers in their mines was \$65.70 per month, with the comparable figure for whites being \$603 per month.¹³⁴

125. The bulk of Tsumeb's labour force is migrant labour, primarily from the north. Before the contract labour strikes in 1972, migrant labour was recruited through a central Government-run labour recruiting agency that had offices in the Ovamboland area. Workers were simply allocated jobs, shipped down to the mine, worked for a year and then returned to the north. No choices were given as to type of job offered and wages were dictated by the company. If a worker quit, or decided to seek employment somewhere else, a broad array of laws could be used to show that he was living illegally in the area.

126. After the 1972 strike the Government "abolished" the central Government-run labour recruiting agency and set up new labour recruiting agreements with the "governments" of Ovambo and Okavango—the tribal authorities set up by South Africa to administer the black reserves. These "governments" are analogous to the "bantustan" policy in South Africa and the "government" officers are paid by the South African Administer General and internal settlement authorities. SWAPO and the people have clearly rejected these "tribal authorities" and they in no way represent the wishes of the majority of the people.

127. In fact, the new system of labour recruitment differs little from the old, central Government administered system. As described by Amax, the employment system works as follows:

"Employment offices have been established by local government authorities in Ovambo, Okavango and

other areas of South West Africa. Men seeking work in mines and industries throughout South West Africa apply at these local offices. Tsumeb's requests for workers are channeled through recruiting centers at Ondangwa in Ovambo and Rundu in Okavango, which then contact local employment offices for appropriate applicants. Interviews and hiring by Company representatives take place at these centers. . . .

"Hiring is by individual employment agreement between the employer and the worker. Each agreement is written in both English and the principal local language. Tsumeb agreements specify basic wage, overtime, hours of work, proficiency range, duration of service, vacation pay and other conditions. . . . Following an interview, the worker, if he wishes and if accepted, signs on for a period of six months, but he is free to terminate his employment at Tsumeb at any time without notice or penalty, or to renew for a further period. The Company on its part can terminate employment by giving one day's notice and paying the cost of worker's transportation back to his home."¹³⁵

128. In contrast to the relatively good picture of employment so presented, it should be noted that families are still broken up, with the vast majority of workers leaving their families in the north for long periods of time while they go down to the mines. Many workers, in fact, have little choice of who their employer is, or how much they will be paid. And because most of the workers' families are in the north, black workers at Tsumeb must continue travelling back and forth between the mine and their families, often at great risk.

129. Travellers in Namibia in 1981 noted that these journeys to the north had become increasingly risky because of government fear of SWAPO activity. Any person travelling in the north who is not normally there is automatically suspected by South African government authorities of being a member of SWAPO. Contract workers travelling to the north tell of arbitrary arrests and interrogations on these journeys by government and military authorities who suspect them of SWAPO sympathies. In addition, workers often carry home presents and cash for their families and many blacks report being robbed at gunpoint by government soldiers at checkpoints in the north.

130. The principal demands of the workers in the 1972 strike were for abolition of the contract labour, the right to live with their families, equal pay for equal work, employment security and free choice of jobs.¹³⁶ The Namibian Workers Union (NAWU) has restated these demands many times; they are and perhaps best summarized by the draft constitution of the NAWU.¹³⁷ The conditions for workers at Tsumeb, however, have not been changed to meet these demands. Workers are still employed in a migrant labour system that retains most of the characteristics of the old contract labour system. The vast majority of the workers at Tsumeb do not live with their families, receive much lower wages than are paid whites and are still employed on six-month contracts. Reports from workers inside Namibia indicate that despite company pronouncements to the contrary, workers have little if any choice of where they can work, and, with rising unemployment, black workers' choice of place of employment is likely to be effectively nil.

131. Tsumeb has stated a number of times in recent years that with declining profitability the company's training programmes are unlikely to be expanded, and further improvements in the availability of housing and higher

wages are also unlikely to be granted quickly. Company spokesmen have complained that white unions are a block to improving the lot of African workers, although company efforts to train black workers for some skilled positions may continue.

132. As of 1981, the number of black employees holding jobs traditionally held by whites was 65, a paltry number compared to a total black work-force of over 4,000. The company's programme for training of artisan aides was scaled down in 1981 because all available jobs had been filled. The company did note that black workers were being trained as metallurgical plant operators and crane drivers at the smelters and that a technical training programme for black workers was continuing. Tsumeb has also helped establish adult education centres for black employees. Nevertheless, black workers at Tsumeb Corporation remain poorly paid, separated from their families, without adequate housing and subject to arbitrary standards of employment. Employees at Tsumeb's mines are only nominally represented by company-controlled workers' committees. Interviews with individual workers and even the testimony of Tsumeb's mine manager in 1977 indicate that workers at Tsumeb support SWAPO and look to SWAPO and its affiliated union, NAWU, for representation.¹³⁸ The basic demands of the workers, as put forward by NAWU, have still not been met at the Tsumeb mine.

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* Source material referred to in Annex 1.

V. DRESDNER BANK AG

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A. PARENT CORPORATION, FEDERAL REPUBLIC OF GERMANY

1. *Background*

<i>Name of parent:</i>	Dresdner Bank AG.
<i>Namibian subsidiary:</i>	Bank of South West Africa/Namibia Limited.
<i>Registered office:</i>	Jurgen-Ponto-Platz 1, 6000 Frankfurt am Main 11, Federal Republic of Germany.
<i>Telephone number:</i>	(0611) 2631.
<i>Date incorporated:</i>	Articles of association signed 1872. ¹
<i>Rank by assets in field of operation:</i>	The 20th in the world as a bank ² (at 31 December 1981).
<i>Total number of employees:</i>	26,615, ³ (25,971 in Federal Republic of Germany, 644 in offices abroad).
<i>Total number of shareholders:</i>	Approximately 150,000. ⁴
<i>Shareholder information:</i>	Dresdner Bank has a 100 per cent interest in 21 subsidiary banks and financial companies operating in the Federal Republic of Germany and abroad and an interest of 50 per cent or more in a further 16 banking subsidiaries and associated companies. ⁵ In sum, Dresdner Bank has interests in 96 banking subsidiaries and other financial companies. Approximately 20 per cent of the bank's total share capital of DM 988 million is held by investors outside the Federal Republic of Germany. The 150,000 shareholders of the bank, which include more than 30,000 present and former employees, hold about 2 per cent of the bank's total capital. ⁶

2. *Operations*

1. The articles of association which led to the formation of the Dresdner Bank AG as a joint stock bank to take over and expand the operations of the Kaskel banking firm were signed in Dresden in November 1882.⁷ The Bank was formed as a result of the 1870 banking amendment enacted by the then Government of Germany, which removed the requirement for banking companies to obtain a special licence in order to operate.⁸ The banking amendment enabled the formation of credit institutions, of which the Dresdner Bank was one, which were capable of providing financial resources not available from private bankers to expand German industry. Although the registered office of Dresdner Bank AG remained in Dresden until 1950, the senior management of the bank was transferred to the then German capital of Berlin in 1884, where a branch office had been established in 1881.⁹ By the early 1890s the Berlin office had developed a number of banking operations abroad and, as their business expanded, Dresdner emerged as one of the major banking companies in Western Europe. In 1895 its business expanded further when a subsidiary office was opened in London, and ten years later Dresdner Bank AG was a major participant in the formation of three specialist banks to undertake and develop foreign business activities: the German Orient Bank, the German South American Bank and the German West African Bank, each of which established a network of branch offices, throughout Asia, South America and West Africa.¹⁰

2. After the First World War the Dresdner Bank experienced considerable economic difficulties, caused through the high level of inflation which followed the war and later through the German banking crisis of 1931.¹¹ As a result, although the Bank slowly expanded its operations, by 1944 its balance-sheet total was smaller than it had been in 1919.¹² The Bank's difficulties were increased further by the effects of the Second World War, during which it sustained heavy material and human losses. Over 80 per cent of its domestic banking properties were destroyed and, of its 322 banking offices in central and eastern Germany in 1937, 162 were lost.¹³

3. After the war and the formation of the Federal Republic of Germany, Dresdner Bank and other large financial companies incorporated in the Republic were required to restrict their operations to small regional banks, following legislation enacted by the Allied Control Commission.¹⁴ In 1952, however, the Bank was able to form its branches into three larger banking groups, which in 1957 were combined to re-establish Dresdner Bank as a major independent bank in the Federal Republic. As a result the Bank rapidly began to recover from its economic difficulties and in the ten-year period 1954 to 1964 more than doubled its network of branch offices from 191 to 424 and almost trebled its total assets from 4,131 million DM to 11,748 million DM.¹⁵

4. In 1967, Compagnie Luxembourgeoise de la Dresdner Bank AG-Dresdner Bank International-(CLB)

was formed and became the wholly owned international banking subsidiary of Dresdner.¹⁶ The position of CLB as a leading international bank was secured in the financial year ending 31 March 1975, when its balance-sheet total expanded by 35 per cent.¹⁷ As the parent company of CLB, Dresdner Bank continued to expand and by 1971 had established representative offices in ten countries, which included South Africa, the United States, the United Kingdom, Australia and Japan, and joint representative offices in nine South American countries.¹⁸ In the same year the Bank became a member of the Associated Banks of Europe Corporation (ABECOR), a consortium of nine Western European banks, formally established in 1974, which provide merchant banking and other financial services to corporations and individuals in over 120 countries.¹⁹

5. In the period 1972 to 1978 Dresdner Bank participated in 24 loans to South Africa amounting to \$US 1,104 million which included five loans directly to the South African Government amounting to \$US 441 million²⁰ and four loans amounting to \$225.3 million in 1979-1982.²¹

6. In addition to interests of over 20 per cent in 55 banking subsidiaries located in the Federal Republic and abroad, Dresdner Bank AG has an interest of approximately 25 per cent in Metallgesellschaft AG, one of the largest metals and manufacturing companies in Western Europe.²² At the end of 1982, Dresdner Bank AG had a network of 958 domestic branch offices, 28 representative offices in 20 countries and a balance-sheet total (total assets) of 84 million DM and deposits of 49.7 million DM. The Bank's wholly owned subsidiary CLB had a balance-sheet total of 22 million DM for the same financial year.²³

3. Structure of corporation

7. The principal subsidiary companies of Dresdner Bank AG comprise 16 banking and 23 other domestic companies in the Federal Republic of Germany and 16 banking, investment and financial management companies abroad (11 are listed in table 1).²⁴ Three of its most important banking subsidiaries in the Federal Republic are Deutscher Investment Trust, the largest unit trust company in the Republic; Deutsch-Sudamerikanische Bank AG, which

operates 14 subsidiary and associated companies in South America, the United States and the United Kingdom; and Deutsche Hypothekbank Frankfurt-Bremen AG, the second-oldest financial institution in the Federal Republic, which operates solely as a merchant bank.²⁵ In Western Europe, Dresdner Bank's investment in Société Financière pour les Pays d'Outre-Mer in Geneva provides it with interests in 12 African countries.²⁶ The wholly owned subsidiary Compagnie Luxembourgeoise de la Dresdner Bank AG-Dresdner Bank International, located in Luxembourg with a branch office in Switzerland, is the international banking company of Dresdner, which engages in international finance, securities, foreign exchange, money market and metals business.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, DRESDNER BANK AG²⁷

<i>Subsidiary</i>	<i>Percentage owned by parent</i>	<i>Total assets (Billions of DM)</i>
In the Federal Republic of Germany:		
Deutsch-Sudamerikanische Bank AG ...	100.0	5.3
Deutscher Investment Bank	90.0	5.5
Deutsche Hypothekbank Frankfurt-Bremen AG	83.9	13.7
Pfalzische Hypothekbank AG	81.5	10.3
Deutsche Landerbank AG	100.0	3.3
Major subsidiaries abroad:		
Compagnie Luxembourgeoise de la Dresdner Bank AG-Dresdner Bank International (Luxembourg)	99.9	22.0
Société Financière pour les Pays d'Outre-Mer (Switzerland/France)	23.0	-
Banque Veuve Morin-Pons (France)	70.0	-
Dresdner (South East Asia) Ltd. (Singapore)	100.0	5.0 approx.
Dresdner Bank Canada (Canada)	100.0	-
ABD Securities Corporation (United States)	75.0	-

4. Economic information

8. The nature of the Dresdner Bank AG involvement in Namibia is banking. Table 2 summarizes its financial status from 1966 to 1982.

TABLE 2. FINANCIAL SUMMARY, DRESDNER BANK AG²⁸
(Millions of DM)

<i>Economic data</i>	<i>Termination of mandate 1966</i>	<i>ICJ advisory opinion 1971</i>	<i>United Nations Decree No. 1 1974</i>	<i>1978</i>	<i>1981</i>	<i>1982</i>
Total assets	12 999	27 559	41 650	70 081	79 609	83 577
Income before expenses and taxes	-	2 056	4 135	4 427	8 833	8 489
Expenditure	-	1 938	3 888	3 988	8 554	8 153
Taxes	-	53	105	217	140	197
Net income after taxes	-	118	142	222	139	139 ^a
Customers' deposits	9 843	20 181	27 125	45 583	49 325	49 682

^a For the year 1982, net income is based on net income for the year, plus profit brought forward from 1981.

B. BANK OF SOUTH WEST AFRICA, NAMIBIA

1. Basic data and operations

<i>Name of subsidiary:</i>	Bank of South West Africa (SWABANK).
<i>Address in Namibia:</i>	Bulow Street, P.O.B. 1, Windhoek 9000. ²⁹
<i>Telephone number:</i>	Windhoek 37300.
<i>Date established:</i>	1973.
<i>Common stock:</i>	Total of 12,001,414 shares issued of R. 25 each amounting to total issued share capital of R 3 million.
<i>Number of shareholders:</i>	Approximately 701.
<i>Shareholders of subsidiary:</i> ³⁰	

<i>Company</i>	<i>Percentage held</i>
Compagnie Luxembourgeoise de la Dresdner Bank AG—Dresdner Bank International ^a (Luxembourg)	51
Approximately 700 other shareholders hold remaining	49

^a Wholly owned subsidiary company of Dresdner Bank AG.

9. The Bank of South West Africa (SWABANK) was founded in 1973 as a general savings bank to provide deposit and financial services for clients who mainly resided in Namibia. The initial banking operations located in Windhoek were expanded between 1974 and 1980 through branch offices established in Keetmanshoop, Swakopmund and Walvis Bay.³¹ In order to facilitate financial services for its customers between Namibia and South Africa, SWABANK established two external branch offices in Cape Town and Johannesburg.³²

10. After consolidating its position as an independent deposit and savings bank in the late 1970s, the directors of SWABANK began to seek methods of developing its financial services into a fully commercial banking operation. As a result the majority of SWABANK's share capital of R 1.5 million was taken over in 1981 by Compagnie Luxembourgeoise de la Dresdner Bank AG—Dresdner Bank International (CLB), located in Luxembourg, which acquired a 51 per cent share interest.³³ In January 1982, following its take-over by CLB, SWABANK adopted new articles of association and, following approval from the illegal administration of South Africa, through its Registrar of Banks, commenced operations as a commercial bank in August 1982.³⁴ The decision of Dresdner Bank AG to invest in SWABANK was stated by Mr. Jurgen Sarrazin, General Manager of Dresdner Bank, in 1982, as being based on the fact that SWABANK was a local banking company and not "a colonial vestige".³⁵

11. Since its formation in 1973 the savings business of SWABANK has expanded rapidly. Total funds held by the Bank in 1979 of R 9.36 million were increased by 57 per cent to R 14.6 million in 1980 and by a further 50 per cent to R 21.9 million in 1981.³⁶ After the majority of its shares had been acquired by CLB, total funds held by SWABANK for the year ending 1982 amounted to R 26.2 million.³⁷ As a result of its expansion SWABANK doubled its issued share capital from 6,000,707 ordinary shares of R 1.5 million in 1981 to 12,001,414 ordinary shares of R 3.0 million in 1982, and increased its banking staff from 50 to 74.³⁸ There is no further information on salaries or employment conditions.

2. Economic information and banking activity

12. Operations commenced in 1973; there is no economic information (table 3) on the subsidiary before 1974.

TABLE 3. FINANCIAL SUMMARY, BANK OF SOUTH WEST AFRICA, 1974-1982
(Millions of R)

<i>Economic data</i> ³⁹	<i>United Nations Decree No. 1 1974</i>	<i>1978</i>	<i>1981</i>	<i>1982</i>
Total assets	4.83	8.58	27.0	34.4
Net income after taxes012	.100	.210	.183
Deposits contingency reserve and other credits	3.07	6.78	24.6	30.6

NOTE. No data available on revenues or taxes.

13. The Bank of South West Africa (SWABANK) is the fifth largest bank operating in Namibia on the basis of total assets and branches.⁴⁰ In comparison to the banking operations of Standard, Barclays and Volkskas, however, which have all operated in Namibia for between 45 and 65 years, SWABANK is the most recent and only independent bank to have commenced business in Namibia. The Bank, which began operating in June 1973, was formed by a group of white Namibian business leaders led by Mr. J. G. H. van der Wath, Mr. Piet Botha and Mr. R. Kock, who became the first Chairman and Managing Directors.⁴¹

14. The majority shareholding, which Dresdner Bank AG gained in SWABANK following the 51 per cent interest acquired by the wholly owned international subsidiary of Dresdner in 1981, ended the Bank's status as the only independent deposit and savings bank in Namibia, but enabled it to commence business as a commercial banking company with external branches established in South Africa and an international parent bank located in Luxembourg. In 1981, one year before SWABANK commenced commercial banking operations, its only wholly owned subsidiary, Missionweg EenVier (Edms.) Bpk. was sold at book value.⁴²

15. In spite of the majority interest acquired by Dresdner, SWABANK has retained a strong relationship with the business community of Namibia. Of the nine members of SWABANK's all-white board of directors in 1982, six were born in Namibia (five are engaged in other business activities in the territory and one is South African).⁴³ The remaining board members are directors of Dresdner Bank.

16. At a meeting in 1982 between a delegation from the United Nations Council for Namibia and Mr. Ulrich Schmid, Manager of the Dresdner Bank's International Division and a director of SWABANK, and Mr. Jurgen Sarrazin, the Bank's General Manager, Mr. Sarrazin stated that Dresdner's investment in SWABANK was a demonstration of its confidence in Namibia's future.⁴⁴ He added, however, that although business and politics could sometimes not be separated, Dresdner Bank was not political, and, therefore, could not actively participate in speeding up the independence process.⁴⁵ In regard to the question of the illegality of the Bank's investment, Mr. Sarrazin stressed that Dresdner Bank did not consider its investment in Namibia to be in violation of any law.⁴⁶ Although limiting himself to the Federal Republic of Germany, Mr. Sarrazin

observed that under national law the operations of Dresdner Bank in Namibia were strictly legal.⁴⁷

17. In comparison to the larger number of branch offices and long-established banking operations in Namibia of Standard, Barclays and Volkskas, the assets and deposits of SWABANK after nine years of business reflect a high level of growth. In 1981, the total assets of the Bank expanded from R 19.2 million to R 27 million, an increase of 41 per cent, and in 1982 increased by a further 27 per cent to R 34.4 million.⁴⁸ Of the total estimated bank deposits in Namibia in 1981, the deposits held by SWABANK represented 6 per cent.⁴⁹ The services provided by the Bank include deposit and savings, credit financing, foreign exchange and corporate assistance.

18. In regard to the banking operations of SWABANK under the illegal administration of South Africa in Namibia, reports released by the Bank's board of directors concerning its financial activities in 1981 and 1982 expressed appreciation for the "support" and "co-operation" provided by "the Administration of South West Africa", which contributed to the "success" of SWABANK during 1981 and 1982.⁵⁰

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VI KLOCKNER AND COMPANY

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A. PARENT CORPORATION, FEDERAL REPUBLIC OF GERMANY

1. Background

<i>Name of parent:</i>	Klockner and Company.
<i>Namibian subsidiary:</i>	South West Africa Lithium Mines (Pty.) Ltd.
<i>Registered office:</i>	Klocknerstrasse 29, D-4100 Duisburg, Federal Republic of Germany.
<i>Telephone number:</i>	203-181 (Duisburg).
<i>Date incorporated:</i>	Formed about 1953. ¹ (The original Klockner group of companies was established before 1939, after 1945 the parent company re-organized and the present company formed in early 1950s.)
<i>Rank by assets in field of operation:</i>	Approximately number 120 in the 500 largest European industrial companies, on the basis of turnover. ²
<i>Total number of employees:</i>	Approximately 9,000. ³
<i>Shareholder information:</i>	The company has a 50 to 100 per cent interest in most of its approximately 90 subsidiary companies. No single company, concern or individual is believed by Klockner and Company to hold a substantial interest in its share capital. ⁴

2. Operations

1. Klockner and Company was established in its present form in approximately 1953. The company was originally part of the former German industrial company under the Klockner name which was established between 1860 and 1897 and developed into one of the largest industrial corporations in the former State of Germany during the 1920s and 1930s.⁵

2. After the Second World War the combined companies which formed the Klockner group were broken up and separated into smaller industrial concerns, comprising steel production, engine and agricultural machinery manufacturers, and metal trading companies.⁶ In the early 1950s, however, the various operating concerns were formed into three independent industrial companies, each of which operated its respective industry under the Klockner name. These

three companies are Klockner-Humboldt-Deutz, based in Koln, Klockner-Werke AG and Klockner and Co., both of which are based in Duisburg.⁷ The operations of Klockner-Humboldt Deutz are primarily in the production of diesel engines and industrial machinery, and at the end of 1980 it was the largest producer of air-cooled diesel engines in the world.⁸ The major operations of Klockner-Werke AG are as a producer of steel, plastics and construction materials and as a manufacturer of mining equipment. Klockner and Company itself is primarily engaged in steel trading and trading in other metals and has considerable interests in mining and mineral-producing companies around the world.⁹

3. Klockner and Co. is estimated by its management to be one of the largest base-metal and mineral trading concerns in Western Europe. In 1982 the major areas in which the major subsidiary companies of Klockner and Co. operated were Western Europe, the United States, Africa and Asia.

3. Structure and economic information on corporation

4. The subsidiary companies of Klockner and Co. are approximately 90 in number. As an international trading company, Klockner and Co. determines the management of its subsidiary companies by direct control of main subsidiary companies which in turn manage the company's mining interests and investments around the world from within the countries or regions where they are located. The subsidiary companies of Klockner and Co. are based in approximately 70 countries, but no further detailed information is available.¹⁰

5. The nature of Klockner and Company's involvement in Namibia is the mining of base metals (lithium minerals). In 1981, the total assets of Klockner and Company were DM 624 million and its income before taxes was DM 29 million; in 1982 assets totalled DM 609 million and income before taxes DM 41 million. No data are available for years prior to 1981 or on any taxes paid.¹¹

B. SOUTH WEST AFRICA LITHIUM MINES (PTY.) LTD., NAMIBIA

1. Basic data and operations

<i>Name of subsidiary:</i>	South West Africa Lithium Mines (Pty.) Ltd.
<i>Address in Namibia:</i>	P.O.Box 49, Karibib, Namibia.
<i>Telephone number:</i>	1421, 1413 Karibib.
<i>Date established:</i>	About 1969. ¹²
<i>Number of shareholders:</i>	One.
<i>Shareholders of subsidiary:</i> ¹³	

<i>Company</i>	<i>Percentage held</i>
Metramco (Pty.) Ltd. (South Africa)	100

NOTE: Metramco (Pty.) Ltd. is a wholly owned subsidiary of Klockner and Co.

6. The operations of South West Africa Lithium Mines (Pty.) Ltd. (SWA Lithium Mines (Pty.) Ltd.) began about 1969. A report of 1978 states, however, that the three mines operated by the company—Aurora, Helicon and Rubicon—have been in various stages of operation since the period of German colonization of Namibia.¹⁴

7. The involvement of Klockner and Co. in the SWA Lithium Mines (Pty.) Ltd. came about as a result of its interests in the South African minerals producer Metramco, which it acquired in the early 1970s and now operates as a wholly owned subsidiary. As a result of the ownership of Metramco, SWA Lithium Mines (Pty.) Ltd. was acquired a few years later, i.e., about 1973. Although a small management staff exists at the company's mining offices in Karibib, near Swakopmund, the overall management responsibility of SWA Lithium Mines (Pty.) Ltd. on a day-to-day basis lies with Metramco. No economic information or data is available on the company.

8. In 1982 SWA Lithium Mines (Pty.) Ltd. operated on a small production basis, with but little production of lithium minerals.¹⁵ A report of 1983, however, stated that the quartz deposits under the control of SWA Lithium Mines (Pty.) Ltd. represented what is probably the highest-grade deposit in the world.¹⁶ No information is available as to the mining potential of the three mines operated by SWA Lithium Mines (Pty.) Ltd.

2. Prospecting and production

9. Early prospecting operations prior to the formation of SWA Lithium Mines established that various lithium-bearing minerals including petalite, amblygonite, mica, beryl and quartz existed at the location of the present mining sites, in the Karibib region of northern Namibia.¹⁷ No exact date is available as to when the deposits were first discovered. No information is available to indicate the present reserves of the remaining unmined lithium ores.

10. Little information is available on production by SWA Lithium Mines (Pty.) Ltd. A report of 1978 states that in 1974 lithium production amounted to 4,500 metric tons of

lepidolite, 1,500 tons of petalite and 60 tons of amblygonite.¹⁸ No information is available in regard to the amount of quartz production which has taken place. On the basis of information from Klockner and Co., however, present production at the mines operated by SWA Lithium Mines (Pty.) Ltd. has been reduced to approximately 1,000 tons per year from the early 1980s. The reason for the low level of production is reported to be a result of the fall of base-metal prices in the international market caused by the world economic recession. No further information is available regarding production by SWA Lithium Mines (Pty.) Ltd.

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* Source material referred to in Annex 1.

VII. MITCHELL COTTS PLC

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A. PARENT CORPORATION, UNITED KINGDOM

1. Background

<i>Name of parent:</i>	Mitchell Cotts PLC.
<i>Namibian subsidiary:</i>	Operations in Namibia are conducted through two subsidiary companies: Clifford Harris South West (Pty.) Ltd., and Fraser and Chalmers Engineering Sales (Windhoek) (Pty.) Ltd.
<i>Registered office:</i>	Cotts House, Camomile Street, London EC3A 7BJ, United Kingdom.
<i>Telephone number:</i>	01-283 1234.
<i>Date incorporated:</i>	Established 1895. ¹
<i>Rank by assets in field of operation:</i>	Unknown, but outside the 500 largest European industrial companies. Number 196 as an industrial company, on the basis of turnover, in the United Kingdom. ²
<i>Total number of employees:</i>	11,842. ³ (1,721 in United Kingdom, 10,121 in operations abroad.)
<i>Total number of shareholders:</i>	7,478. ⁴ (Total 25p ordinary shares held: 71.58 million.)
<i>Shareholder information:</i>	Mitchell Cotts PLC has a 100 per cent interest in 61 of its 75 principal group subsidiary companies, and of the remaining 14 has an interest of 50 per cent or above in seven. The majority of Mitchell Cotts share capital is held by the following: unit trust companies 30.7 per cent; investment trust companies 20.4 per cent; individuals 15.7 per cent; Insurance companies 14.2 per cent and pension funds 9.6 per cent. ⁵

2. Operations

1. Mitchell Cotts Group PLC was established in 1895 and commenced operations primarily as an engineering

company. Although little information is available on the early development of the corporation, by 1966 Mitchell Cotts had become an international merchant, manufacturing, engineering and road transport company, with operating subsidiaries in 21 countries outside of the United Kingdom.⁶ By the late 1950s and early 1960s the company was developing and expanding its interests and operations into shipping, chartering, airways and insurance services.⁷

2. In the course of its development, Mitchell Cotts Group PLC established considerable interests in Africa where by the mid-1960s group companies operated in Tanzania (coal contractors, shipping and pyrethrum manufacturers); Uganda (tea, vanilla growers and produce merchants, shipping and transportation) Zambia (civil engineering); Malawi (produce exporters), Swaziland (petroleum agents), Ethiopia (tea growing, meat producers, civil engineering), as well as operations in the former colonial states of Rhodesia (coal contractors, manufacturing, civil and structural engineering and shipping) and Portuguese East Africa (coal contractors, merchants, warehousing and shipping), now Zimbabwe, Angola and Guinea-Bissau.⁸ The largest area of the company's African operations, however, was established in South Africa which had by 1967 become, with the United Kingdom, its most important area of business activity.⁹ In the same year its former South African holding company, Cotts Holding and Investment Co., was renamed Mitchell Cotts Ltd. and became the 80 per cent owned subsidiary of Mitchell Cotts Group PLC, United Kingdom, operating 21 companies engaged in civil engineering, manufacturing, structural engineering, coal exporting, shipping, warehousing, customs and clearing.¹⁰

3. By 1971 the company had established operations in Australia, with a group of 10 subsidiary companies, Belgium and Botswana, and had developed its interests in Kenya to nine subsidiary companies, making it the most important area for Mitchell Cotts operations in Africa, next to South Africa.¹¹ In the early to mid-1970s, however, a number of Mitchell Cotts subsidiary companies in Africa were nationalized as a result of measures taken by the Governments of Sudan (1970), Uganda (1972), Tanzania (1974) and Ethiopia (1975).¹² In 1976 the company's operations and properties in Mozambique were completely nationalized by the newly formed FRELIMO Government, following the end of Portuguese colonial rule in Mozambique, Angola and Guinea-Bissau.¹³ By 1977 the operations of Mitchell Cotts in all the above countries had, apart from its vehicle distribution business in Ethiopia and its trading operations in Uganda, been terminated.

4. In the period 1971 to 1983 the business activities of Mitchell Cotts Group PLC developed into an international organization comprising three main areas of operation: engineering, transportation and, on a smaller scale, trading.¹⁴ By 1981 Western Europe, Australia and southern Africa represented the most important regions for the company's operations. Apart from the United Kingdom, the only other Western European State in which Mitchell Cotts has interests is Belgium, through its wholly owned subsi-

diary, Les Entreprises Van Ryment S.A., a major civil engineering company. In North and South America the company's operations are relatively small, comprising its holding company and its 60 per cent owned shipping agents Dingwall Cotts and Co. Ltd in Canada, its group office and 53 per cent owned project procurement and finance company Capital Plant International Inc. in the United States, and its tea agents Mitchell Cotts (Ecuador) C.A. in South America.¹⁵

5. In 1982 the 75 principal subsidiary companies of Mitchell Cotts operated in 17 countries.¹⁶ Its most important country of operation, however, was South Africa, which in 1982 accounted for £8,336 million (53 per cent) of the company's consolidated profit of £15,661 million.¹⁷ Approximately 43 per cent of the company's 75 engineering, transportation and trading companies are located in South Africa and, between them, in 1982 generated £211,661 million (53 per cent) of the £387,625 million turnover of Mitchell Cotts PLC.¹⁸ Of the company's three main areas of operation, its South African based subsidiaries are primarily engaged in the engineering and transportation areas. Its wholly owned holding company Mitchell Cotts (Pty.) Ltd. is responsible for over 30 companies operating in project and civil engineering (9 companies), manufacturing and distribution (13 companies), air and surface freight (7 companies) and road haulage and storage (2 companies).¹⁹ Of these, six of the major South African subsidiaries are Mitchell Cotts Project Engineering (Pty.) (S.A.) Ltd., established about 1976; Clifford Harris Group (Pty) Ltd, acquired in 1979, which manages all Mitchell Cotts' civil engineering companies in South Africa; Fraser and Chalmers (S.A.) (Pty.) Ltd. and Fraser and Chalmers Engineering Sales (Pty.) Ltd., construction engineers, suppliers of mining and industrial equipment and two of the company's longest-established subsidiaries; Mitchell Cotts Manufacturing and Engineering Sales (S.A.) (Pty.) Ltd., established about 1970, and Mitchell Cotts Transportation (S.A.) (Pty.) Ltd., which manages all transport companies owned by Mitchell Cotts in South Africa.²⁰

6. In 1982 Mitchell Cotts stated that the close association of its engineering companies with the international mining industry had prevented their progress as a result of the low level of mining production caused by the world recession. The company also stated that the world recession and the reduced volume of world trade had restricted progress in transport operations.²¹ Although the company increased its amount of turnover from £263,697 million in 1978 to £387,625 million in 1982, its position, based on turnover, in the 1,000 largest industrial companies in the

United Kingdom fell during the same five-year period from 140th to approximately 196th.²²

3. Structure of corporation

7. The international operations of Mitchell Cotts PLC are conducted through 19 holding, management and co-ordinating companies, based in eight countries, which direct the operations of the corporation's 75 principal group subsidiary companies.²³ The subsidiary companies are engaged in three areas of activity (comprising eight principal operating groups), as follows: engineering (project engineering, civil engineering, manufacturing and distribution); transportation (air and surface freight, road transport and haulage); and trading (vehicle distribution, tea, import and export services).²⁴ The 75 principal subsidiary companies (of which 11 are listed in table 1) undertake their operations in 17 countries, which include the United Kingdom, Belgium, the United States, Canada, South Africa, Australia, Hong Kong, Ecuador and Lebanon. Of these, 32 of the company's subsidiaries are located in South Africa, 24 in the United Kingdom, 9 in other African countries (Zambia, Zimbabwe (2), Kenya (2), Ethiopia, Uganda (2) and Swaziland), 4 in Australia and 3 in Hong Kong.²⁵ Of the corporation's principal subsidiary companies, 41 operate in the engineering area and 22 in the transportation area.²⁶

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, MITCHELL COTTS PLC²⁷

<i>Subsidiary wholly owned by parent</i>	
Mitchell Cotts Informational Projects Ltd. (United Kingdom)	
Mitchell Cotts (United Kingdom) Ltd.	
Mitchell Cotts & Co. (Engineering) Ltd. (United Kingdom)	
Mitchell Cotts (Pty.) Ltd. (South Africa)	
Mitchell Cotts Project Engineering (S.A.) (Pty) Ltd (South Africa)	
Mitchell Cotts Manufacturing & Engineering (Pty.) Ltd. (South Africa)	
Clifford Harris (Pty.) Ltd (South Africa)	
Mitchell Cotts Transportation (S.A.) (Pty.) Ltd. (South Africa)	
Mitchell Cotts East & Central Africa Ltd. (United Kingdom)	
Mitchell Cotts (Australia) Pty Ltd.	
Mitchell Cotts & Co. (Far East) Ltd. (Hong Kong)	

4. Economic information

8. The nature of Mitchell Cotts PLC involvement in Namibia is as (1) civil engineering contractor, and (2) supplier of mining, industrial and agricultural equipment. For financial status see table 2.

TABLE 2. FINANCIAL SUMMARY, MITCHELL COTTS PLC²⁸
(Millions of pounds sterling (£))

<i>Economic data</i>	<i>Termination of mandate 1966</i>	<i>ICJ advisory opinion 1971</i>	<i>United Nations Decree No.1 1974</i>	<i>1978</i>	<i>1981</i>	<i>1982</i>
Total assets	18.7	34.4	55.9	84.4	117.2	99.8
Gross revenues ^a	2.7	7.1	10.6	13.2	14.9	16.3
Income before taxes	2.0	4.0	9.1	10.2	9.1	9.7
Taxes	0.78	1.7	4.2	5.3	3.8	5.8
Net income after taxes ^b	1.3	2.0	3.6	3.6	6.0	3.6

NOTES: Financial year of company ends 30 June.

^a Gross revenues expressed as total profit before deductions for interest.

^b Net income expressed as net attributable profit after taxation and after deduction of minority interest and extraordinary items.

B. CLIFFORD HARRIS SOUTH WEST (PTY.) LTD.

NAMIBIA

Name of subsidiary: Clifford Harris South West (Pty.) Ltd.
Address in Namibia: 27 Curt Von Francois Street, Windhoek.²⁹
Telephone number: Windhoek 34865.
Date established: About 1980³⁰ (following acquisition of Clifford Harris (Pty.) Ltd., South Africa, by Mitchell Cotts in 1979).

Number of shareholders: One.

Shareholders of subsidiary:

Company	Percentage held
Mitchell Cotts (Pty) Ltd ^a	100

^a Mitchell Cotts (Pty.) Ltd., is a 100 per cent owned subsidiary of Mitchell Cotts Group PLC (London).

9. Clifford Harris South West (Pty.) Ltd. began operations in Namibia about 1980, following the acquisition of the Clifford Harris Group (Pty.) Ltd. by Mitchell Cotts (Pty.) Ltd in South Africa in 1979.³³ The operations of the Clifford Harris Group comprise four main areas: (1) civil engineering, contracting and construction; (2) prospecting, mining and marketing of its own coal products as well as contract, open-cast coal mining; (3) quarrying and production of aggregate; and (4) the manufacture and distribution of asphalt, tar and bitumen-derived products through its associated companies Much Asphalt (Pty.) Ltd and Abecol (Pty.) Ltd.³⁴

10. The operations of Clifford Harris South West (Pty.) Ltd in Namibia are as civil engineering contractors and property owners. Although the office of the company is based in Windhoek, the main management responsibilities remain with the directors of Clifford Harris (Pty) Ltd in South Africa, which operates as a wholly owned subsidiary of Mitchell Cotts (Pty) Ltd.

11. No specific information is available regarding the civil engineering contracts undertaken by Clifford Harris South West (Pty.) Ltd. in Namibia or the volume of its civil engineering operations. In regard to the property owned by the company, this was purchased about 1981.³⁵ The type and location of the property are not known. No further information, on either economic or employment practices, or on the operations of Clifford Harris South West (Pty.) Ltd. in Namibia, is available.

C. FRASER AND CHALMERS ENGINEERING SALES (WINDHOEK) (PTY.) LTD

Name of subsidiary: Fraser and Chalmers Engineering Sales (Windhoek) (Pty) Ltd.
Address in Namibia: Iscor Road, Windhoek.³¹
Telephone number: Windhoek 61563.
Date established: 1966³² (as Fraser and Chalmers Equipment (Pty.) Ltd, based in South Africa).

Number of shareholders: One.

Shareholders of subsidiary:

Company	Percentage held
Mitchell Cotts (Pty.) Ltd. ^a (South Africa)	100

^a Mitchell Cotts (Pty.) Ltd. is a 100 per cent owned subsidiary of Mitchell Cotts PLC, United Kingdom.

12. The formation of Fraser and Chalmers Engineering Sales (Windhoek) (Pty.) Ltd. was based upon the earlier operations in Namibia of the South African-based company Fraser and Chalmers Equipment (Pty.) Ltd. The formation of Fraser and Chalmers Equipment (Pty.) Ltd. in 1966 was achieved after a decision to separate the sales agency business and the civil engineering business of Fraser and Chalmers (S.A.) (Pty.) Ltd., at that time the largest subsidiary company of Mitchell Cotts PLC in South Africa, to form Fraser and Chalmers Equipment (Pty.) Ltd. (F & C Equipment) as a new company.³⁶ On its formation the specific operations of F & C Equipment were as a supplier and distributor of industrial equipment.

13. No specific date is available as to when F & C Equipment began to operate in Namibia, but on the basis that it began business in the former country of Rhodesia (now Zimbabwe) about 1970, its operations in Namibia probably commenced about the same time.³⁷ No specific information is available as to the companies or the type of industrial equipment which it supplied in Namibia during the 1970s. In 1976, however, F & C Equipment expanded its operations and was described as a "manufacturer and supplier of mining and industrial equipment", and by approximately 1978 had established a branch operation in Namibia, as well as 15 other branches in South Africa.³⁸ By 1980 F & C Equipment had changed its name to Fraser and Chalmers Engineering Sales (Pty.) Ltd., located in Johannesburg and in the same year its branch operation in Namibia was formed into Fraser and Chalmers Engineering Sales (Windhoek) (Pty.) Ltd., to operate as a separate company.³⁹

14. The operations of Fraser and Chalmers Engineering Sales (Windhoek) (Pty.) Ltd. are described by Mitchell Cotts as being "suppliers of mining and industrial equipment".⁴⁰ Since 1980 the scale of the company's operations in Namibia has not been clear and no specific information is available regarding the mining and industrial companies to which it has supplied equipment. In regard to the operations of Fraser and Chalmers (S.A.) (Pty.) Ltd., the South African-based company through which Fraser and Chalmers Engineering Sales (Windhoek) (Pty.) Ltd. was formed in 1980, a report of 1974 states that a major contract had been completed by the company with Consolidated Diamond Mines (CDM) of South West Africa (Namibia), following the construction of a heavy-media cyclone plant at the CDM mine at Oranjemund in south-east Namibia.⁴¹ The plant was described in 1974 as being the largest heavy-media diamond recovery plant to be brought into production in the world at that time.⁴² The value of the contract was not disclosed. No further information either on the operations or on the economic activities and employment practices, of Fraser and Chalmers Engineering Sales (Windhoek) (Pty.) Ltd. in Namibia is available.

15. Prior to the formation of Clifford Harris South West (Pty.) Ltd., an 80 per cent interest was held by Mitchell Cotts in the civil and structural engineering company Reinforcing Steel Company (Pty.) Ltd., which operated in Namibia between the mid-1960s and 1976, when the company's operations were rationalized through a merger with a similar company.⁴³

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* Source material referred to in Annex 1.

VIII. RIO TINTO-ZINC CORPORATION PLC

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A. PARENT CORPORATION, UNITED KINGDOM

1. Background

<i>Name of parent:</i>	The Rio Tinto-Zinc Corporation PLC.
<i>Namibian subsidiary:</i>	Rossing Uranium Limited.
<i>Registered office:</i>	6 St. James Square, London SW1Y 4LD, United Kingdom.
<i>Telephone number:</i>	01-930 2399.
<i>Date incorporated:</i>	1962 (following the merger of Rio Tinto and Consolidated Zinc Corporation). ¹
<i>Rank by assets in field of operation:</i>	The 68th in the 500 largest industrial companies ² outside the United States (December 1981). Second in the world as an international mining finance company based on capital employed (December 1981). ³
<i>Total number of employees:</i>	79,000. ⁴
<i>Total number of shareholders:</i>	89,893. ⁵
<i>Shareholder information:</i>	Rio Tinto-Zinc Corporation PLC has a 100 per cent direct interest in 16 of its 37 principal group subsidiaries and associated companies and an interest of

50 per cent or above in 17 of the remaining 21.⁶ The principal group companies include 12 holding companies in which Rio Tinto-Zinc PLC has an interest of over 50 per cent. No shareholder, corporate or individual, has a beneficial interest of 5 per cent or more of the share capital of the parent or in any class of shares carrying full voting rights, except in the holdings of "B" preference shares held by the following:

<i>Shareholder</i>	<i>No of "B" shares</i>	<i>Percentage held</i>
Commercial Union Assurance Co. Ltd.	259 000	8.24
Guardian Royal Exchange Assurance Group	319 375	10.16
Norwich Union Insurance Group	675 000	21.47
Phoenix Assurance Co. Ltd.	492 500	15.67
The Prudential Assurance Co. Ltd.	196 626	6.25

Although the interests above provide those companies holding them with full voting rights, the entire class of "B" preference shares account for less than 5 per cent of the total number of votes attributed to the issued share capital of the Rio Tinto-Zinc Corporation PLC.⁷

2. Operations

1. The Rio Tinto-Zinc Corporation PLC (RTZ) was formed in 1962 as a result of the merger between Rio Tinto and the Consolidated Zinc Corporation. Rio Tinto, the older of the two companies, was formed in 1873 following the acquisition by British mining interests of a copper pyrites mine in Spain.⁸ By 1900 Rio Tinto was producing 40,000 tons of copper matte annually, but as a result of the subsequent decline in the copper content of the ore brought out, the mine was eventually sold in 1954.⁹ One year before the sale, Rio Tinto undertook a 7 per cent interest in the Canadian-based company of Brinco Limited, formed to develop the natural resources of Newfoundland.¹⁰ Although the operations of Brinco later became of considerable importance, it was the application of the funds acquired from the disposal of the Spanish mine which enabled Rio Tinto to broaden its development. Two-thirds of this capital was employed to finance a series of exploration teams which, in 1954, commenced a search for new mining ventures in Australia, Canada and Africa.¹¹

2. The first major opportunity for expansion came in 1955 when Rio Tinto acquired leases to prospect and develop the substantial uranium deposits in Ontario, Canada. As a result, Rio Algom Mines Limited was formed to

manage the Canadian uranium interests of the company.¹² In 1956 further prospecting activity at Phalaborwa in South Africa resulted in the development of a huge low-grade ore body containing copper and related minerals.¹³ After a period of proving activity, the Palabora Mining Company Limited was established to produce the copper and to recover other mineral by-products from the ore, which included magnetite, nickel and uranium.¹⁴ The operations of Rio Tinto in Canada and South Africa complemented its interests in Australia, where the company had acquired the Mary Kathleen uranium deposit in 1956.¹⁵

3. The Consolidated Zinc Corporation developed out of the operations of the Zinc Corporation, formed in Australia during the early 1900s to process the 6 million tons of residues, comprising zinc, silver and lead, which had become "dotted around the town" of Broken Hill, New South Wales, following their discovery in 1883.¹⁶ After the First World War, the Zinc Corporation acquired an interest in the National Smelting Corporation in the United Kingdom, which had been formed to produce zinc from Australian concentrates and which later expanded to become the Imperial Smelting Corporation. As a result of their similar industrial interests the Zinc Corporation and the Imperial Smelting Corporation merged in 1949 to form the Consolidated Zinc Corporation Limited.¹⁷ The newly formed company was able to diversify its interests following the discovery of bauxite at Weipa, Australia, and the acquisition of an aluminium reduction plant in Tasmania, the latter enabling Consolidated Zinc to become a leading partner in developing the largest integrated aluminium industry in Australia.¹⁸

4. In 1968, following the merger of Rio Tinto and Consolidated Zinc and formation of the Rio Tinto-Zinc Corporation Limited (RTZ) six years earlier, the United Kingdom-based company Borax Holdings Limited, parent of the Borax Group of companies with interests in the United States, Turkey and South America, was acquired.¹⁹ The acquisition of Borax provided RTZ with a major mining operation in the United States, for its mine at Boron in the Mojave Desert is the largest borax deposit in the world.²⁰ RTZ continued to expand in 1970 when a second major acquisition, Pillar Limited, with interests in the fabrication of aluminium in Canada and the United Kingdom, was added to the RTZ Group.²¹

5. At the same time as the formation of RTZ in 1962, Conzinc Rio Tinto Australia (CRA) was formed to manage the Group's interests in Australia.²² CRA's major operations in 1983 included Australian Mining and Smelting Ltd., Comalco Ltd. (primary metals), Hamersley Holdings Ltd. (iron ore) and the Argyle Diamond Mines Joint Venture, which commenced production in 1983.²³ One of the Group's first Australian operations, Mary Kathleen Uranium Ltd., was closed in 1982.²⁴

6. During the 1970s the main mining ventures which contributed to RTZ's continued growth were the development of the Bougainville copper deposit in Papua New Guinea, which commenced production in 1972 as a subsidiary of CRA, and the Rossing uranium deposit in Namibia, which commenced production in 1976.²⁵

7. The commencement of these operations was complemented by the formation of several new group companies. These included RTZ Oil and Gas Ltd. in 1974, formed as a result of the transfer of RTZ's interests in the exploration for

oil in the United Kingdom sector of the North Sea, through its membership of Hamilton Brothers Incorporated (United States).²⁶ The cumulative output from the company's 25 per cent interest in the Argyll field amounted to 46 million barrels of oil by 1982 (3.6 million in 1981, 7.6 million in 1982).²⁷ In 1975, RTZ Deep Sea Mining Enterprises Ltd. was formed and, through an 11.8 per cent interest in an international consortium, managed by United States-based companies, participates in research and exploration for deep-sea minerals.²⁸ In contrast, the acquisition in 1982 of the United Kingdom-based Tunnel Holdings Ltd. and Thos. W. Ward PLC provided RTZ with interests in construction materials and services, specialized chemicals and cement production.²⁹

8. In those areas where newly found mineral deposits are located, the specially formed company Rio Tinto Finance and Exploration Ltd. (Riofinex), established in 1967, is responsible for the exploration work prior to the formation of a subsidiary company to work the deposits.³⁰

9. In 1976 a United States Department of Justice grand jury inquiry into the uranium industry resulted in a civil anti-trust action against 29 companies, including RTZ and certain group companies, being brought by Westinghouse Electric Corporation in the District Court of Illinois.³¹ A similar action against eight companies, including RTZ and certain group companies, alleging breaches of United States anti-trust laws, was brought by the Tennessee Valley Authority in Tennessee.³² In 1981 RTZ stated that agreements in principle had been reached between Westinghouse and a group of twelve defendants and between Tennessee Valley and seven defendants.³³ RTZ and all group companies named in the actions denied liability.

10. At the end of 1982, RTZ had operations in over 20 countries, with interests in major base metals, strategic minerals and fuels, which include aluminium, borax, coal, copper, gold, iron, lead, oil, silver, tin, uranium and zinc.³⁴

3. *Structure of corporation*

11. The major operations of the Rio Tinto-Zinc Corporation PLC, excluding Namibia, are conducted by 11 principal subsidiary companies (listed in table 1).³⁵ These include Conzinc Rio Australia (main interests aluminium, bauxite, copper, diamonds, gold, iron, lead and zinc), with mining activities in Australia, New Zealand, Papua New Guinea, South-east Asia and Europe; Rio Algom Ltd. (main interests uranium, copper, molybdenum), with mining activities in Canada and the United States and production and distribution of speciality steels and metals in Canada, the United States, the United Kingdom, Australia and Mexico; Rio Tinto South Africa Ltd. (main interests copper, uranium); RTZ Borax Ltd (main interests borax and industrial chemicals), with mining and production operations in the United States, the United Kingdom and continental Europe; RTZ Industries Ltd. (main interests aluminium, steel, wood, glass, light engineering), with activities in the United Kingdom, Canada, the United States, Australia, Brazil, Italy and Portugal; RTZ Aluminium Holdings Ltd, with alumina and aluminium interests outside of Australia.³⁶ In 1982 RTZ subsidiary companies accounted for approximately 7 per cent of the Western world's copper production and approximately 14 per cent of the Western world's uranium production.³⁷

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, RIO TINTO-ZINC CORPORATION PLC³⁸

Subsidiary	Percentage owned by parent
Conzinc Rio Australia Ltd. (CRA)	57.2
Rio Algom Ltd. (Canada)	52.75
Rio Tinto South Africa Ltd.	100.0
Tinto Holdings Zimbabwe Ltd.	100.0
RTZ Aluminium Holdings Ltd. (United Kingdom) .	100.0
RTZ Borax Ltd. (United Kingdom)	100.0
RTZ Bristol Ltd. (United Kingdom)	100.0

RTZ Industries Ltd. (United Kingdom)	100.0
RTZ Oil and Gas Ltd. (United Kingdom)	100.0
Tunnel Holdings Ltd. (United Kingdom)	100.0
Thos. W. Ward PLC (United Kingdom)	100.0

4. Economic information

12. The nature of the Rio Tinto-Zinc Corporation involvement in Namibia is mining (uranium). Table 2 summarizes its financial status from 1966 to 1982.

TABLE 2. FINANCIAL SUMMARY, RIO TINTO-ZINC CORPORATION PLC³⁹
(Millions of pounds (£))

Economic data ^a	Termination of mandate 1966	ICJ advisory opinion 1971	United Nations Decree No 1 1974	1978	1981	1982
Total assets ^b	266.4 (142.0)	897.1 (630.6)	1 265 (822)	2 038 (1 325)	3 738 (2 359)	5 200 (3 420)
Gross revenues ^c	144.7	445.9	1 164	1 953	3 020	3 680
Income before taxes ^d	29.6	68.0	279.1	284.0	348.1	341.0
Taxes	5.7	28.3	135.8	111.9	174.5	167.9
Net income after taxes ^e	12.3	19.0	62.5	102.3	102.3	103.5
Long-term debt	111.1	369.8	360.0	600.2	832.3	1 514

^a Figures above are as stated by RTZ in the ten-year financial summaries 1966 to 1975 and 1973 to 1982 and are expressed in the value of the pound at 31 December 1982.

^b Total assets are expressed as total funds employed; the figures below in parentheses are assets for property, land, plant and equipment and work in progress.

^c Gross revenues expressed as group operating profit.

^d Net income expressed as group profit before tax.

^e Net income after tax expressed as net profit to RTZ after deductions to outside shareholders.

B. ROSSING URANIUM LTD., NAMIBIA

1. Basic data and operations

Name of subsidiary:	Rossing Uranium Limited.
Address in Namibia:	(a) P.O.Box. 22931, Windhoek 9000. (b) Mine Office, Private Bag 5005, Swakopmund 9000.
Telephone number:	Windhoek 36760.
Date established:	1970. ⁴⁰
Bankers:	Accounts held in Namibia with: ⁴¹ 1. Barclays National Bank Ltd, 2. Standard Bank SWA Ltd, and 3. NedBank Ltd.

Shareholders of subsidiary: ⁴²

Company	Percentage held
Rio Tinto-Zinc Corporation PLC (United Kingdom)	46.5
Industrial Development Corporation Ltd. (South Africa) ^a ..	13.2
Rio Algom Ltd. ^b (Canada) ...	10.0
Total/Compagnie Française des Pétroles (France) ^a	5.0
Urangesellschaft mbH (Federal Republic of Germany) ^a	5.0
General Mining Union Corporation Ltd. (South Africa)	6.8

^a State-owned or-controlled companies.

^b Rio Tinto-Zinc Corporation has a 52.75 per cent beneficial interest.

13. The operations of the Rio Tinto Zinc Corporation PLC (RTZ) in Namibia commenced in 1966, when prospecting activities were undertaken on the deposits acquired from the locally based Namibian company G. P. Louw Ltd.⁴³ After a period of development, the subsidiary company of Rossing Uranium Ltd. was formed in 1970.⁴⁴ Rio Tinto South Africa Ltd., formed by RTZ as a subsidiary holding and management company for its Palabora mining operation, which commenced production in 1966, became the immediate holding company for Rossing Uranium. As a result, although based in Namibia, Rossing Uranium Ltd. was incorporated in South Africa.⁴⁵

14. Under the two-tier shareholding system organized by RTZ for each of its subsidiary companies, the parent company held an 85 per cent interest in the "B" class (S.A.) 10 cent shares and a 37.8 per cent beneficial interest in the equity capital of Rossing Uranium at the time of its formation.⁴⁶ After changes in the value of shares available as Rossing reached production, the interests of RTZ in Rossing Uranium Ltd. in 1983 comprised 46.5 per cent in the beneficial equity capital, and in the non-equity category 53 per cent in the "B" class (S.A.) one-rand shares and 53.5 per cent in the "C" class (S.A.) 10-cent shares, made available in 1977.⁴⁷ The proportion of RTZ's shares in terms of total voting rights, however, which if exercised determine the overall operating policy of Rossing Uranium, have been reduced from 36.8 per cent to 26.5 per cent in 1983.⁴⁸

15. Rossing Uranium Ltd. is financed by a combination of one-third equity and two-thirds loans. In addition to

RTZ's 46.5 per cent equity interest, the other major equity participant is the South African state owned Industrial Development Corporation Ltd. (IDC), with 13.2 per cent.⁴⁹ The interest of the IDC was described by RTZ in 1979 as a "significant shareholding".⁵⁰

16. The total cost of bringing the Rossing uranium mine to production was approximately £140 million.⁵¹ After reaching full production in 1979 the profits contributed by Rossing Uranium Ltd. to RTZ amounted to £20.2 million (19.5 per cent) and £30.2 million (30.2 per cent) of its net profits of £102.3 million and £103.5 million for 1981 and 1982 respectively.⁵²

2. Economic information and activity

17. Operations commenced in 1966; investigations of uranium deposits commenced in 1966; pilot plant test work commenced in 1970; Rossing Uranium Ltd. was established 1970.⁵³ Table 3 gives what little is known of its financial status from 1978 to 1982.

TABLE 3. FINANCIAL SUMMARY, ROSSING URANIUM LIMITED
(Millions of pounds sterling (£))

Economic data ⁵⁴	1978	1981	1982
Net income after taxes	"small initial profit"	20.2 (21.1 1980; 12.6 1979)	31.2

NOTE. The first contribution of profit *after tax* from Rossing Uranium Ltd. to the net attributable profit of RTZ commenced in 1978. Profits *before tax* were described in RTZ as "significantly higher" in 1981 than for 1980; no figures were given. Similarly, no figures for total assets, gross revenues, taxation or sales from uranium have been stated. In 1980, however, Rossing Uranium made an initial provision for deferred taxation on its operations and a full provision for deferred taxation in 1981 and 1982.

(a) Prospecting

18. It was the prospecting activities undertaken by the Rio Tinto Zinc Corporation PLC (RTZ) in the mid-1960s which eventually led to the formation of Rossing Uranium Ltd. as its Namibian subsidiary. The rights to undertake prospecting activities were obtained by RTZ from the locally based Namibian company of G. P. Louw Ltd. in July 1966.⁵⁵ The location of the deposit was at Rossing, about 65 kilometres east of the coastal town of Swakopmund, which is located almost mid-way along Namibia's 1,500-kilometre Atlantic coast.

19. After three years of investigation, the economic potential of the uranium deposit became apparent in 1969 when RTZ stated that construction of a pilot test plant was planned in preparation for a full programme of bulk sampling.⁵⁶ A year later, in 1970, the subsidiary company of Rossing Uranium Ltd. was formed to manage the test work and develop the uranium deposit. During the same year, the reserves of uranium ore were estimated at 100,000 tons, while the average grade of the ore was stated as 0.8 lb. of uranium per ton (if these are short tons, then 0.33 kilograms per metric ton).⁵⁷

20. In 1971 Rossing Uranium Ltd. stated its intention to bring the Rossing deposit to production through development of an open-cast mining operation. The costs of developing the mining operation were approximately £165 million, £20 million of which was raised and advanced by RTZ between 1976 and 1978 to cover the capital costs necessary in strengthening the plant prior to production.⁵⁸

21. The outcome of the prospecting activities undertaken by RTZ in 1966 resulted, on its completion in 1978, in the largest open-cast mining operation in southern Africa.

22. The schedule of development work undertaken by Rossing Uranium Ltd. to bring the uranium deposit from initial sampling and test work to full production was as follows:⁵⁹

- 1966-1969: Prospecting and investigation of uranium deposit;
- 1970: Construction of pilot plant;
- 1971: Programme of bulk sampling and other testing commenced;
- 1972-1973: Construction of mining offices, transport systems, basic plant facilities and design work commenced;
- 1974: Pre-production work in open-cast pit;
- 1975-1976: Mining equipment commissioned, construction of main process plant and ancillary plant; commissioning of Rossing plant and initial production;
- 1977-1978: Major plant modifications undertaken; commercial production of uranium commenced;
- 1979: Full production.

In 1981, after two years of full production from the Rossing mine, RTZ stated that it was undertaking further prospecting.⁶⁰ An exploration unit had been established during the year and it was announced that prospecting teams had commenced investigations in various parts of Namibia. No further information is available in regard to the prospecting undertaken.

(b) Production

23. Production at the Rossing uranium mine commenced in 1976, but because of delays in reaching adequate levels of operating efficiency, RTZ stated that Rossing would not enter commercial production until early 1978.⁶¹ Although full-scale production had originally been scheduled for 1976, further operating difficulties, which included a serious fire that destroyed one of the mine's two solvent extraction plants, postponement of an underground mining operation and major modifications to the mining plant, prevented full production by the scheduled date.⁶² It was not until May 1979 that production at the rated capacity of 4,500 metric tons of uranium oxide per year was reached.⁶³

24. In 1973, during early stages of construction, RTZ stated that initial mining production at Rossing was for 60,000 tons (55,000 metric tons) of ore and waste per day, yielding approximately 2,500 short tons (2,250 metric tons) of uranium oxide per year.⁶⁴ In 1977, however, RTZ indicated that during construction of the mining plant the scheduled rate had been doubled to 120,000 tons (110,000 metric tons) of ore and waste per day, increasing full production of uranium oxide to a capacity of 5,000 short tons (4,500 metric tons) per year.⁶⁵ On reaching this level in 1979, Rossing became the largest uranium mine operating in the world, but is still the only uranium mine brought into production in Namibia.⁶⁶

25. The total amount of uranium oxide produced by Rossing Uranium Ltd. through 1982 was approximately 25,000 metric tons.⁶⁷ The figures for uranium oxide produced at the mine on an annual basis, since initial produc-

tion in 1976, are as follows (rounded to nearest 5 metric tons).⁶⁸

Year	Production
1976	700
1977	2 760
1978	3 175
1979	4 520
1980	4 760
1981	4 680
1982	4 455

At the rated production capacity of 4,500 metric tons of uranium oxide per year, the lifespan of the Rossing mine is about 25 years.⁶⁹

(c) *Contracts and sales*

26. In 1971, eight years before full production was reached, RTZ announced that contracts for supplies of uranium oxide from the Rossing mine had already been arranged.⁷⁰ The first two long-term contracts had been agreed in 1970. These were with the United Kingdom Atomic Energy Authority (UKAEA),⁷¹ for supplies to British Nuclear Fuels Ltd., a state-owned corporation engaged in the processing and enrichment of nuclear fields, and the Kansai Electric Power Company, a privately owned corporation which is the second largest power company in Japan.⁷²

27. The other major long-term contracts known to have been agreed were arranged with nuclear power companies in France, the Federal Republic of Germany and Iran. These were for supplies of uranium oxide to COMURHEX, a French nuclear processing company in which Compagnie générale des matières nucléaires (COGEMA), which is wholly financed by the state-owned Commissariat à l'éner-

gie atomique (CEA), has an interest of approximately 39 per cent.⁷³ The supplies to the Federal Republic of Germany, after first being processed and enriched in other countries, were for use by three nuclear energy companies, Veba AG and Urangesellschaft mbH, whose operations are largely state-controlled, and URANIT.⁷⁴ The three companies are engaged in the supply of nuclear fuels and the generation of nuclear power. The supplies of uranium from Rossing to Iran, which had been agreed with the Government of the former Shah, were terminated after the Government of the Islamic Republic of Iran was established in 1978.⁷⁵

28. The total amount of uranium oxide to be supplied under the contracts to British Nuclear Fuels Ltd. in the United Kingdom and Kansai Electric Power Company in Japan has been stated as 7,500 tons and 8,200 tons respectively.⁷⁶ The supplies to the United Kingdom were scheduled to commence in 1977, with supplies to Japan commencing about the same time.⁷⁷ The total volume of supplies under contract to nuclear companies in France and the Federal Republic of Germany has never been fully substantiated. It has been stated, however, that the supplies of uranium oxide from Rossing to COMURHEX represent a "substantial amount" of total French uranium imports.⁷⁸

29. As a result of technical delays which occurred at the Rossing mine during development, together with strikes by the African labour force, delivery dates for supplies of uranium oxide were considerably rescheduled through agreements between Rossing Uranium Ltd and the contracted customers.⁷⁹ As the first year of full production was not achieved until 1979, more than two years later than scheduled, observers have estimated that deliveries of uranium oxide from the mine will therefore be supplied approximately two years later than the contracts originally called for.⁸⁰ The contracted dates for delivery to British Nuclear Fuels Ltd. in the United Kingdom and Kansai Electric Power Company in Japan were as follows:

(1) *British Nuclear Fuels Ltd.* ⁸¹

Year	1977	1978	1979	1980	1981	1982
Amount (tons)	1 125	1 125	1 475	1 525	1 125	1 125

(2) *Kansai Electric Power Company:* ⁸²

Year	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
Amount (tons)	500	500	600	600	1 000	1 000	1 000	1 000	1 000	1 000

30. In regard to supplies of uranium from Namibia to the United Kingdom, it was reported in February 1981 that the United Kingdom Government had extended its contract beyond its original expiry date of 1982 to 1984.⁸³ At the Annual General Meeting of RTZ in May 1981 the board of directors indicated that the original contract for supplies of uranium from Rossing to the United Kingdom had had an option in it, which the appropriate authorities may decide to exercise.⁸⁴ In reply to a shareholder's question a senior member of the board stated that the option had been exercised and that it included an increase in the amount of uranium to be supplied from Rossing.⁸⁵ Although it has been confirmed that supplies of uranium from Namibia to British Nuclear Fuels Ltd. will continue to at least 1984, it has not been determined whether additional amounts of uranium oxide, above the original contracted total of 7,500 tons to the United Kingdom, will be supplied.

31. In 1981 the Government of Japan informed the United Nations Council for Namibia that the Kansai Electric Power Company had "decided not to import Namibian uranium under the present circumstances" and had "postponed receipt" of the uranium to be delivered under its contract.⁸⁶ At the Annual General Meeting of RTZ in 1983 the Chairman was asked to confirm whether contracts between Rossing and Japanese-based nuclear companies had been suspended or terminated, to which he replied that as this was a commercial question he was unable to answer.⁸⁷ On being asked if he would confirm the statement of the Japanese Government and that there was therefore no uranium produced at Rossing under contract for supply to any Japanese nuclear company the Chairman replied "no comment".⁸⁸ Although being aware of the statement of the Japanese Government, RTZ, as the parent company of Rossing Uranium Ltd., have therefore not confirmed that supplies of uranium from Rossing to Japan have been suspended.

(d) *Exports*

32. The volume of uranium oxide exported by Rossing Uranium Ltd. from Namibia on an annual basis is estimated to be approximately the same as the uranium produced at the Rossing mine (for which, see (b), production, above).⁸⁹ On the basis that none of the uranium produced at Rossing has been stockpiled in Namibia, the total amount of uranium oxide exported by Rossing Uranium Ltd has been about 25,000 metric tons.⁹⁰ It is estimated that much of this uranium has been exported *directly* to those countries whose nuclear companies hold contracts for supplies of Namibian uranium and which have facilities for processing and enriching the uranium oxide for use in their nuclear power plants, and exported *indirectly* to those countries whose nuclear companies hold similar contracts but do not have processing and enrichment facilities.

33. In the case of those countries whose nuclear companies hold contracts for uranium from Rossing and which have processing and enrichment facilities, it is estimated that 6,375 tons of uranium oxide will have been delivered *directly* to British Nuclear Fuels Ltd in the United Kingdom and an unspecified large amount delivered *directly* to COMURHEX in France through December 1982.⁹¹

34. In the case of Japan and the Federal Republic of Germany, the nuclear companies holding contracts for uranium from Rossing have no processing and enrichment facilities. Much of the uranium under contract for use in Japan is first exported to North America for processing and enrichment before being re-exported to Japan.⁹² In regard to supplies of uranium under contract to nuclear companies in the Federal Republic of Germany, the uranium oxide is first processed in the United Kingdom and France.⁹³ After processing, the necessary enrichment services on supplies of Namibian uranium to the Federal Republic are undertaken at the URENCO nuclear enrichment plant in the Netherlands.⁹⁴

35. At the Hearings on Namibian Uranium organized by the United Nations Council for Namibia in July 1980, it was confirmed that exports of uranium oxide to France and the United Kingdom were being undertaken by both air and sea.⁹⁵ In the period 1978 to 1980 the methods of transportation used to export the uranium consisted of twice-weekly flights by cargo aircraft of Union des Transports Aeriens (UTA) of France and South African Airways (SAA) of South Africa.⁹⁶ Excluding stops for refueling and maintenance the planes of UTA and SAA flew between Windhoek, Namibia, and the French airports of Marseille, Orly and Charles de Gaulle. From Marseille in southern France the uranium supplied for French use was transported to the COMURHEX plants at Malvesi and Narbonne. The uranium supplied to the United Kingdom was transported by road haulage lorries from Orly and Charles de Gaulle through northern France, across the English channel by ferry and by road through England to the Springfields plant of British Nuclear Fuels Ltd., near Preston.⁹⁷ In 1980 the involvement of ships transporting cargoes of uranium oxide known to have originated from Namibia into the Belgian port of Zeebrugge commenced.⁹⁸ The same road haulage company which was involved in transporting Namibian uranium to the United Kingdom from French airports, Edmundsons Ltd. of Morecambe, United Kingdom, then transported the uranium by similar cross-channel ferry and road routes to the British nuclear fuels plant in northern England.⁹⁹ It is understood that similar methods of exporting uranium produced at Rossing to France and the United Kingdom, by air and sea, were being employed in 1982.

36. In regard to the export of uranium from Rossing for use in Japan, supplies of uranium oxide have been transported by sea to North America since 1981 for processing and enrichment services prior to being re-exported to Japan.¹⁰⁰ It has not been confirmed whether Walvis Bay, Namibia's only deep-sea port, has been used on a regular basis by ships involved in transporting uranium from Namibia to Western Europe and North America.

3. *Employment*

(a) *Basic data*

37. Employees numbered 3,059¹⁰¹ as at 1 May 1983. Additional statistics are given in Table 4.

TABLE 4. EMPLOYMENT STATISTICS, ROSSING URANIUM LIMITED

	<i>Year</i>	<i>White</i>	<i>Coloured</i>	<i>Black</i>
Employment breakdown ¹⁰²	1983 (3 059 total)	839	577	1 643
	1982 (3 138 total)	831	595	1 712
	<i>Year</i>	<i>White</i> (Millions of rand)	<i>Coloured</i>	<i>Black</i>
Wages/ Salary ¹⁰³ a 1983				
Total of	1.024	0.426	0.578	
2.028	(or 50	(or 22	(or 28	
paid in	per cent)	per cent)	per cent)	
wages and	of total	of total	of total	
salaries	paid	paid	paid	
(Above are for proportions of total wage bill earned by each sector; i.e., white, coloured, black employees)				
	<i>Year</i>	<i>White</i>	<i>Coloured</i>	<i>Black</i>
Average monthly salary paid per employee ¹⁰⁴ b .	1983	R 1 220	R 737	R 352

a For total of wages and salaries indicated above, figures are calculated from figures for wages and salaries at Rossing declared by RTZ for 1983.

b Average monthly salary calculated from figures declared by RTZ for 1983.

(b) *Summary of conditions*

38. In 1975 RTZ began producing a series of annual Fact Sheets which provided information released by the company in regard to certain aspects of its mining operations. These presented RTZ's view of its activities with reference to the environment, the operations of its subsidiary in South Africa and the operations of Rossing Uranium Ltd in Namibia. In addition to information provided by RTZ concerning Rossing, several independent reports which describe conditions at the uranium mine have also been published. The following, with Table 4, is therefore an analysis of employment conditions at Rossing over the period 1977-1982.

39. In the RTZ Fact Sheet "Some Aspects of Rossing Uranium Limited" for 1977, which was the first occasion that the parent company had provided a table of employment and wage figures for its Namibian subsidiary, it was stated that 2,382 workers were employed at Rossing. The salaries and wages paid to them were based upon a table of 20 different pay scales, eight for hourly paid "Day Rate"

workers and 12 for monthly paid "Salaried Staff".¹⁰⁵ Each of the 20 pay scales had a different rate of pay depending on whether the employee was black, coloured or white. The minimum monthly wage for the 1,702 "Day Rate" workers, all of whom were black or coloured and comprised 71 per cent of the total work force, was R 136 at the lowest scale and a maximum of R 557 at the highest of the eight "Day Rate" scales.¹⁰⁶ Of the 12 higher scales for "Salaried Staff" 604 of the 608 employees were white, only 4 were coloured and none were black. The minimum monthly salary was R 300 and the maximum salary at scale 11 was R 1,400 per month. The salary earnings for 33 of the white employees on scale 12 and above were not disclosed. The figures contained in the Fact Sheet for 1977 indicated that 263 of the total 1,097 blacks were employed at the minimum possible "Day Rate" wage of R 136 per month, while no blacks and only 10 of the total 605 coloured were employed at the maximum "Day Rate" of R 557 per month.¹⁰⁷

40. A report on the Rossing mine published in 1980, which analysed the wage figures provided in the Fact Sheets for Rossing Uranium Ltd during the period 1977-1980 indicated that, although RTZ had completed "a major job evaluation and wage and salary restructuring programme" in 1977, of the total 1,702 workers employed on the eight "Day Rate" pay scales, 997 blacks and 388 coloureds, who comprised 58 per cent of the total Rossing work force, earned only between R 136 and R 206 per month, less than half the maximum monthly "Day Rate" wage of R 557.¹⁰⁸

41. By 1979 the pay scales had been revised and in the Fact Sheet for that year RTZ claimed that Rossing Uranium Ltd had "firmly established a non-racial policy" of employment.¹⁰⁹ The day rate and salaried staff wage table had been abolished and instead the 2,747 employees at the mine were divided into 17 wage grades. The minimum monthly earnings at grade 1 were R 175 and the maximum salary disclosed at grade 15 was R 1,038. No figures were provided in the Fact Sheet for salaries at grades 16 and 17 or for a category listed as "grades under review". Of the total number of employees, however, 1,881 or 68 per cent of the total work force at Rossing in 1979 were employed on the six lowest wage grades, earning between the minimum R 175 and R 374 per month.¹¹⁰ Although no figures were provided to indicate the number of black, coloured and white employees, the report of 1980, which analysed the wage figures for Rossing, estimated that 1,998 employees, constituting 72 per cent of the total 2,747 work force, were black or coloured and that 1,881 of those represented the 68 per cent of the Rossing work force on the six lowest wage grades.¹¹¹

42. In the three-year period 1980-1982, the employment and wage structure at Rossing was similar to the Day Rate/Salaried Staff method of 1977. Although those earnings categories were not used, the non-racial wage tables in the Fact Sheets for 1978 and 1979 were replaced by a series of numbered employment grades with different wage scales for blacks, coloureds and whites. RTZ stated that while Rossing Uranium Ltd continued to pursue its "non-racial policy" of employment the Fact Sheets for 1980, 1981 and 1982 contained a breakdown of wage figures for blacks, coloureds and whites "so that maximum information is available".¹¹²

43. The Fact Sheet on Rossing for 1980 indicated that, of the total 3,036 employees, 1,593 (52 per cent) were black, 568 (19 per cent) were coloured and 875 (29 per cent) were white.¹¹³ Of those, 1,501 or 94 per cent of the black employees and 315 or 55 per cent of the coloured employees were employed on the lowest six of the 18 wage grades earning

between a minimum of R 223 and a maximum of R 474 per month. Only 76 or 8 per cent of the total number of whites were employed on those grades. The majority of white employees, 844 or 83 per cent of the total, were employed on grades 10 to 18 earning a minimum of R 784 to over R 1,146 at grade 13.¹¹⁴ Only 3 blacks and 28 coloureds were employed on those grades. None of the black or coloured employees, however, were employed beyond grade 14. No wage figures were produced in the 1980 Fact Sheet for the 79 white employees on the five highest wage grades, grades 14 to 18. The total wage bill paid by Rossing Uranium Ltd in 1980 was approximately R 1.53 million.¹¹⁵ Of this, the 875 white employees earned R 670,000, the 568 coloureds earned R 311,000 and the 1,593 blacks earned R 548,000.¹¹⁶

44. The Fact Sheet for 1982, which provided information on employment, wages and salaries at Rossing Uranium Ltd to 1 January 1983, indicated that the total work force employed by the company was 3,059.¹¹⁷ The number of wage grades had been reduced from 18 in 1980 to 13 grades with an additional separate category, which was not given any grade, for "confidential payroll employees".¹¹⁸ Of the 13 wage grades and the special category for confidential employees, 1,760 or 58 per cent of the total work force were employed on the six lowest wage grades in 1982. The total number of employees comprised 1,643 (54 per cent) blacks, 577 (19 per cent) coloureds and 839 (27 per cent) whites.¹¹⁹ Of those, 1,451 or 88 per cent of the total number of black employees and 243 or 42 per cent of the total coloured employees constituted the majority of those Rossing employees on the six lowest wage grades earning between the minimum of R 296 and maximum of R 580 per month.¹²⁰ Over 550 black workers, 33 per cent of the black employees, were employed on the three lowest wage grades earning between the minimum R 296 and maximum R 399 per month at grade 3.¹²¹ In comparison, the number of whites on the three lowest wage grades was 14, and only 66 or 8 per cent of the white employees were employed on the six lowest wage grades. The majority of the white employees, 634 or 76 per cent, were employed on the five highest wage grades, comprising 535 (64 per cent) at grades 10 to 13 earning from R 770 to R 2,548 per month and 98 (12 per cent) employed on the separate "confidential payroll employees" category, for which no wage or salary figures were provided in the Fact Sheet.¹²² In comparison with 1980, the wage bill paid by Rossing Uranium Limited in 1982 was approximately R 2.02 million.* Of this, R 1.02 million was earned by the 839 white employees, R 426,000 was earned by the 577 coloureds and R 578,000 was earned by the 1,643 blacks.¹²³

45. In a statement to shareholders at the Annual General Meeting of RTZ in 1974, the Chairman stated that in regard to the recruitment of workers at Rossing, RTZ was "totally opposed to the contract labour system and will have nothing whatever to do with it".¹²⁴ As far as the company's operations in Namibia were concerned, he stated that RTZ was "not prepared to employ large quantities of bachelor labour" at Rossing.¹²⁵ A report on labour conditions at the Rossing mine in 1979 stated that despite the assurances given by RTZ the majority of black employees at the uranium mine continued to be migrant workers employed on

* As no wage and salary figures were stated in the 1982 Fact Sheet for the confidential payroll employees, the minimum and maximum earnings for those employees was estimated from the minimum and maximum wage and salary earnings stated for grades 10 to 13 in the Fact Sheet.

one-year contracts under the contract labour system and were separated from their families.¹²⁶ A further report in 1980 stated that, while the majority of the work force were Namibians employed on a full-time basis, prior to 1980 Rossing had hired its work force on the contract-labour system using migrant workers from Malawi and South Africa as well as Ovambos and Damaras from Namibia.¹²⁷

46. In 1977 RTZ stated that it had completed a 600-house township at Arandis a few kilometres from the Rossing mine, which it described as "a self-contained community to which workers from all over Namibia can bring their families to live".¹²⁸ Earlier in 1977 a television team from the British Broadcasting Company reported that many of the houses were standing empty and none of the families of Ovambo contract workers had been accommodated in the township, which was occupied by approximately 350 single men, all Damaras.¹²⁹ In an interview in 1978, several African employees at Rossing stated that housing for single workers was notoriously bad with overcrowded conditions and poor heating and ventilation. These statements were supported by the Chairman of RTZ who, after a visit to Rossing, admitted he was "horrified" by the conditions.¹³⁰ By 1978 the Chairman claimed that the conditions had been improved and that there was no longer any overcrowding. A statement released by Rossing workers at the end of 1978, however, stated that "black workers had to stay in single quarters in unsanitary conditions, while the white employees received good housing in Swakopmund at only nominal rent".¹³¹

47. In the information provided by RTZ in its Fact Sheets on Rossing between 1978 and 1983, the company claims that social amenities and recreational facilities for African workers at Rossing have been provided on a large scale. A statement released in the form of a letter from African workers at Rossing at the end of 1979, however, stated that "eight to ten" single workers were accommodated together in what was described as "one cell", and claimed that "there is no privacy and we are not allowed to discuss matters of a mutual interest".¹³²

48. Based on RTZ data in 1983, housing accommodation for employees of Rossing Uranium Ltd consisted of the following:¹³³

Arandis: Special township built to accommodate the majority of Rossing's black workers, located several kilometres from the Rossing mine; accommodation for employees in wage grades 1 to 5. RTZ states that 735 houses are occupied by married employees and their families.

Rossing Village "A": Accommodation for approximately 375 single and single-status hourly paid employees in wage grades 1 to 4.

Rossing Village "E": Accommodation for 186 single, hourly paid, employees in wage grades 5 to 7.

Tamariskia: A suburb of Swakopmund located about 65 kilometres from the Rossing mine; housing built to accommodate white and coloured employees; accommodation for employees in wage grades 6 to 8. RTZ stated that all 246 houses were occupied by families.

Vineta: A suburb of Swakopmund; housing built to accommodate white and coloured employees; accommodation for employees in wage grades 9 and above. RTZ stated that 436 houses and 28 flats were occupied by families and that a further 44 families lived in mobile homes at the nearby Country Club until they could move into houses.

49. In the course of the development of the Rossing uranium mine, from the commencement of its construction in 1970 to the fifth year of full production in 1982, a number of strikes and industrial disputes took place at the mine. The first major strikes were in 1976, four years after the December 1971 to January 1972 general strike in Namibia over the contract labour system.¹³⁴ The 1976 strikes were in protest over working conditions, low pay and high food prices and comprised two strike actions, the second of which took place in November and involved 700 African workers. In a statement concerning the strikes, Mr. Rich Hughes, the general manager of Rossing Uranium Ltd at that time, denied that the company's own security forces had used tear gas and guard dogs to break up an earlier strike, but admitted that guard dogs were part of the company's security policy for what he called "psychological reasons".¹³⁵

50. Two weeks after an article which reported the strike of November 1976 had been dispatched from Windhoek, the South African journalist who wrote the article was banned for five years under the South African Internal Security Act, part of the legislation applied in Namibia by South Africa under its illegal administration, and placed under house arrest.¹³⁶ A report describing the arrest stated that it was made after the journalist had reported the "strike of black workers at the British controlled Rio Tinto-Zinc uranium mine at Rossing".¹³⁷

51. In December 1978 a large strike, which lasted for almost four weeks and involved approximately 2,000 workers, took place.¹³⁸ One of the main causes of the strike was described in a statement released by African workers involved in the dispute as a result of Rossing Uranium Ltd "exploiting black workers as cheap labour" and dividing workers into the Day Rate system and Staff Rate system of wages and salaries. The African workers on strike stated that "these rates are determined by skin colour irrespective of qualifications and experience".¹³⁹ In the course of the strike, a number of demands were made for better pay, protection against radiation from the dust produced by grinding machines at the mine and improved housing conditions. In addition, the African workers called for an end to security police victimization and, in direct reference to "all companies who are operating illegally in our country", demanded: "They must register with the United Nations Council for Namibia and must pay tax to the Council instead of paying it to the illegal South African occupying régime".¹⁴⁰ The striking workers concluded their statement, which was released through SWAPO, whom "the workers support", with a warning to those companies operating in Namibia "to comply with the United Nations Council for Namibia's decree number one, regarding the unlawful exploitation of Namibia's natural resources".¹⁴¹

52. At the end of the strike in January 1979, a message from the African workers at Rossing was communicated to British and French transport trade unions who were engaged in importing uranium from the Rossing mine into the United Kingdom and France. The message stated: "We the workers in Namibia lodge our appeal to you to cease your lifting of (Namibian) uranium to Britain".¹⁴²

53. A further strike at Rossing was reported to have taken place in May 1983.¹⁴³ The dispute involved lorry drivers who were responsible for transporting uranium ore in the heavy trucks used at the mine. The strike was reported as being in protest at the dust from the uranium ore encountered by the lorry drivers and their concern over its effects on their health. In response to the report, however, Rossing

Uranium Ltd stated that the dispute was settled without any form of strike action being taken.¹⁴⁴

54. A report of 1980, which analysed the working conditions at Rossing, drew attention to the health risks faced by workers at the mine.¹⁴⁵ Those most at risk were the uranium miners in the large open pit who were exposed to dust particles containing radium. The report stated that although Rossing Uranium Ltd provided specialist clothing for their employees it was unlikely to give much protection to Namibian workers operating the bulldozers and drills and who were blasting a million tons of ore and waste each week, particularly amidst the desert conditions of intense heat and swirling dust. During a visit to Rossing Uranium Ltd in 1977 the then Chairman of the Rio Tinto-Zinc Corporation, Sir Mark Turner, made a personal inspection of the open pit and confessed to being "particularly concerned" about the high level of dust in the mine.¹⁴⁶

55. At the Hearings on Namibian Uranium, organized by the United Nations Council for Namibia in July 1980, several participants supported the findings of the report on Rossing, which had been published in March that year. The Panel of the Council, which heard evidence submitted by the participants, was informed by a representative of the International Atomic Energy Agency (IAEA) that since South Africa was not a signatory to the Treaty on the Non-Proliferation of Nuclear Weapons it did not consider itself obliged to submit information on uranium mining operations in Namibia, which were a direct result of its illegal administration and occupation of the territory.¹⁴⁷ There was therefore no way of undertaking an authoritative independent investigation of the measures taken by Rossing Uranium Ltd to protect the health of its uranium miners and the environment.

56. The Hearings Panel was informed that Arandis, the main township for the majority of the Namibian workers employed at Rossing, was located close to and downwind from the mine's uranium tailings dump, while the white workers were housed at the coastal town of Swakopmund, about 65 kilometres away. The Panel was informed that as the mining process used at Rossing is an open pit operation, during the stage where the huge amounts of rock obtained from the open pit were crushed in the crushing mill to extract the uranium oxide the workers might be exposed to several long-life decay products of uranium (uranium 234, thorium 230, radon 226 and others) which were released.¹⁴⁸ Those products could easily be inhaled, leading to internal radiation, or could adversely affect the workers, their families and the Namibian population in general through external radiation, it was stated.¹⁴⁹

57. After the uranium oxide has been extracted from the rock, the residues which remain are deposited into a waste products pond called a tailings pond or are piled into a large waste heap. The Hearings Panel was informed that while in some cases attempts were made to cover the tailings ponds at uranium mines, some methods had adverse effects on the environment. Often the ground water became contaminated.¹⁵⁰ In the case of the Rossing mine there was a particular danger to health as a result of the airborne radio-active dust particles from the unstabilized and uncovered mill tailings.¹⁵¹

58. The absence of concern by Rio Tinto-Zinc for the health of its uranium miners employed at Rossing is in sharp contrast to standards required of uranium mining companies in the United States. The Panel was informed that between 1952 and 1957 controls were imposed which called

for the immediate shut-down of those uranium mines that did not conform to the required health standards. In time additional health controls were imposed and in 1971 the United States Department of the Interior promulgated a set of standards for the control of workers' exposure to the radio-active decay products of radon, known as "radon daughters". The Panel was also informed that in 1978 the United States Congress passed the Uranium Mill Tailings Radiation Control Act for protection of the public from waste tailings at inactive ore processing sites, as well as from mill tailings at active ore processing sites. According to evidence placed before the Hearings Panel in 1980, however, there was no indication that Rossing Uranium Ltd had made arrangements for permanently coping with the waste mill tailings which could remain radio-active for 100,000 years.¹⁵²

59. In July 1980 a document obtained by SWAPO, which described a "security scheme" at the Rossing mine, was made public for the first time.¹⁵³ The document, which was produced as evidence at the Hearings on Namibian Uranium of the United Nations Council for Namibia, had been obtained from Rossing and indicated that the security scheme had been established in preparation for civil or labour unrest, or for what was termed the possibility of "terrorist attack" against the mine.¹⁵⁴ The document stated that the security scheme provided for detailed military procedures, which were to be effected by a paramilitary unit stationed at Rossing. The document further stated that the 69-man paramilitary unit had at its disposal automatic weapons, which included 24 automatic rifles, 4 machine guns and ample rounds of ammunition.¹⁵⁵

60. The security scheme at Rossing was reported to have been established under the National Key Points Act, enacted by the South African Government in 1980.¹⁵⁶ Under the Act, transnational corporations which were engaged in what the Government considered to be strategic industries were defined as national key-point industries. Those corporations were required to share its white personnel in what were called commando units, which formed a paramilitary arrangement to protect the company or industry against the possibility of civil disturbance or unrest.¹⁵⁷ A press report of 1980 indicated that the National Key-Points Act or a similar arrangement extended to Namibia.¹⁵⁸

61. In an attempt to gain credibility for its illegal mining operation in Namibia, an educational institution named the Rossing Foundation was established by Rossing Uranium Ltd in 1978.¹⁵⁹ The board of the Foundation is described by RTZ as consisting of nine multiracial trustees, which include "leading businessmen, educationalists and lawyers from Namibia".¹⁶⁰ The names of the trustees are not stated in the booklet produced by Rossing Uranium Ltd, which describes the Foundation. Although South Africa continues to administer and occupy Namibia illegally, RTZ stated in 1983 that, as a result of land made available by the white-controlled Windhoek Council, Rossing Uranium Ltd had completed construction of a new educational centre.¹⁶¹ Rossing Uranium Ltd state in their booklet that the aim of the Foundation is to enable people "to increase their earning power and raise their standard of living".¹⁶² No mention was made of how black Namibians were expected to do this under the racial legislation enforced in Namibia under South Africa's illegal administration. Although the company states that it funds "several scholarships" for what it describes as "potential future leaders of Namibia", only six post-graduate scholarships have been awarded since

1978.¹⁶³ The one condition attached to such awards is that "the holder must be prepared to return to Namibia after graduating to put his knowledge to work for the benefit of his fellow countrymen".¹⁶⁴ It is not clear whether the scholarships are solely for men or whether Namibian women are also considered for the few awarded by the Foundation. No mention is made in the Rossing Uranium booklet of how the knowledge acquired by the students while abroad is to be put to work to benefit other Namibians after their return, while South Africa's illegal administration and occupation of Namibia continues, or of what education the Foundation provides its students about that illegal administration.

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IX. "SHELL" TRANSPORT AND TRADING COMPANY PLC

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A. PARENT CORPORATION, UNITED KINGDOM

1. Background

<i>Name of parent:</i>	"Shell" Transport and Trading Company PLC (co-parent of the Royal Dutch/Shell Group).
<i>Namibian subsidiary:</i>	Shell Oil South West Africa.
<i>Registered office:</i>	Shell Centre, London SE1 7NA, United Kingdom.
<i>Telephone number:</i>	01-934 1234.
<i>Date incorporated:</i>	Registered 1897. ¹
<i>Bankers:</i>	Lloyds Bank PLC (United Kingdom).
<i>Rank by assets in field of operation:</i>	First in the world as an international petroleum company and second largest industrial company in the world (as Royal Dutch/Shell Group). ² Second largest company in the United Kingdom (as "Shell" Transport and Trading Company). ³
<i>Total number of employees:</i>	163,000 (as Royal Dutch/Shell Group). ⁴
<i>Total number of shareholders:</i>	400,000. (Total 25p ordinary shares held: 276.2 million.) ⁵
<i>Shareholder information:</i>	The "Shell" Transport and Trading Company PLC is one of two joint parent companies of the Royal Dutch/Shell Group. The other is the Royal Dutch Petroleum Company registered in the Netherlands. The parent companies own the equity of two group holding companies in the ratio of 60:40, with Royal Dutch Petroleum holding 60 per cent. ⁶ The Group, of which "Shell" Transport and Trading Company is the main operating parent, has an interest of 100 per cent of 105 of its 169 principal subsidiary companies and an interest of 50 per cent or more in 32 of

the remaining 64.⁷ No shareholder, corporate or individual, has an interest of 5 per cent or more of the share capital of "Shell" Transport and Trading Company PLC.⁸

2. Operations

1. The Royal Dutch/Shell Group comprises two principal parent companies: Royal Dutch Petroleum Company (Royal Dutch), registered in the Netherlands; and "Shell" Transport and Trading Company PLC (Shell T&T), registered in the United Kingdom. The Group has operated as an international petroleum company since 1907, when Royal Dutch and Shell T&T merged without losing their separate corporate identities.⁹ Shell T&T was formed in 1833 and originally operated as a trader of curios.¹⁰ By the 1890s it had moved into the transportation of kerosene and by the time of its registration as a company in 1897 a large market has been established in China, India and Japan.¹¹ (Royal Dutch was formed in 1890 to develop an oilfield in Indonesia and as a result began transporting and marketing the oilfield products.)¹²

2. After the merger into the Royal Dutch/Shell Group in 1907, the operations of the companies rapidly expanded. Between 1907 and 1913, interests in the production of oil were acquired in Romania, Russia, Egypt, Trinidad and the United States and between 1910 and 1914 oil produced directly by the Group was obtained in former British Borneo, Mexico, and Venezuela.¹³ Although the Group's interests in Russia were confiscated in 1917, its operations as an oil producer were extended by oil refineries established in the United States (California (1915), Illinois (1918)) and in the Netherlands Antilles (Curacao) (1918).¹⁴

3. As the world demand for petroleum increased during the 1920s the operations of Shell T&T, as the major operating parent of the Group, also developed. Shell Union Oil was established in the United States (1922), Canada (1925), Malaya and Iraq (1929) and over the same period its distribution of petroleum products was extended throughout East Africa and India.¹⁵ In 1928 and 1929 the company commenced its participation as a manufacturer and producer of chemicals, through operations in the Netherlands and the United States respectively.¹⁶

4. Although the oil producing properties of the Group were expropriated in Mexico in 1938, its operations continued to expand after the Second World War through the development of new oil fields in Australia, New Zealand and elsewhere and a world-wide network of refineries built near the major petroleum markets of mainland Europe, the United Kingdom, Australia, India

and Venezuela.¹⁷ Between 1949 and approximately 1960 the Group consolidated its interests in the chemical industry through production in the United Kingdom, France, the Federal Republic of Germany, Canada, Australia and Japan.¹⁸ The post-war expansion of the Group continued in the early 1960s through the production and transportation of liquified natural gas.

5. The increasing worldwide demand for petroleum products throughout the 1960s resulted in Shell T&T developing additional sources of oil and bringing new refineries into operation in north and west Africa, southern Africa and Canada.¹⁹ By 1965 the company was producing and marketing automobile oil and lubricants in 70 countries throughout the world.²⁰

6. In the 1970s Shell T&T adjusted to the emergence of OPEC and the change in price and ownership of crude oil sources through diversifying into other energy sources. The diversification process commenced with major acquisitions in metals, through Bulliton N.V. which became a Group company in 1970, and continued into nuclear energy in 1973, through a 50 per cent interest acquired in General Atomic Company, and coal mining in 1974, through ventures in South Africa, Botswana, Swaziland and Indonesia.²¹

7. In 1982 the volume of crude oil produced by the Royal Dutch/Shell Group averaged 1,366 million barrels per day (b/d) of which an average of 239,000 b/d came from the Group's operations in the North Sea.²² In the same year sales of natural gas by Group operating companies averaged more than 5,000 million cubic feet (142 million cubic metres) per day.²³ On this basis it is estimated that excluding the Soviet Union and East European States, the Royal Dutch/Shell Group produces, purchases and markets approximately 8 per cent of the world's oil and natural gas supplies.²⁴ In regard to refining, transportation and sales of petroleum the Royal Dutch/Shell Group operates or has interests in approximately 35 refineries around the world, maintains a tanker and dry bulk shipping fleet of 183 ships totalling over 19 million deadweight tonnes and markets oil products produced by Group companies in over 80 countries throughout the world.²⁵ In addition to its operations as an international petroleum company, the Royal Dutch/Shell Group also sold 24.8 million tonnes of coal and 1.7 million tonnes of base metals in 1982.²⁶

8. As a transnational corporation the Royal Dutch/Shell Group is the second largest corporation and the second largest petroleum company in the world, on the basis of total assets, and in 1982 was the largest industrial company with headquarters outside the United States.²⁷ The Group comprises over 280 companies operating in approximately 100 countries and at the end of 1982 had available resources of approximately 5,666 million barrels of crude oil, 19,598 billion cubic feet (555×10^9 cubic metres) of natural gas and 4,172 million tonnes of coal.²⁸

9. As joint parent companies, Royal Dutch and Shell T&T are not part of the Royal Dutch/Shell Group, but own the shares of the two Group holding

companies—Shell Petroleum N.V. and Shell Petroleum Company Ltd.²⁹ The two holding companies between them, directly and indirectly, own all the shares of the Group operating companies and all the shares of the Group's nine service companies in the United Kingdom and the Netherlands, which provide advice and assistance to the operating subsidiaries and associated companies in various parts of the world.³⁰

10. Royal Dutch has no operations of its own and derives almost all its income through an arrangement with Shell T&T, which provides that both parent companies will share the net assets, aggregate dividends and interest received from the Group's operating companies in the proportion of 60 to Royal Dutch and 40 to Shell T&T.³¹ Royal Dutch therefore retains a 60 per cent equity shareholding in Shell Petroleum N.V. and Shell Petroleum Company Ltd, while Shell T&T retains a 40 per cent interest in the two holding companies.

3. Structure of corporation

11. As a joint parent company of the Royal Dutch/Shell Group the international operations of Shell T&T are conducted through the Group's two holding companies—Shell Petroleum N.V. and Shell Petroleum Company Ltd—which direct the operations of approximately 280 Group operating companies and nine service companies, five of which are located in the United Kingdom and four in the Netherlands. The function of the service companies is to provide advice and services to the operating subsidiaries and associated companies. Their structure is outlined in Table 1.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, "SHELL" TRANSPORT AND TRADING COMPANY PLC.³³

<i>Subsidiary</i>	<i>Percentage owned by parent</i>	<i>Total assets (1982) Millions of Pounds Sterling (£)</i>
(For Shell T&T).....	—	12 831
Shell Petroleum Company Ltd (United Kingdom)	40	—
Shell Petroleum N.V. (Netherlands)	40	—
(For Royal Dutch).....	—	19 246
Shell Petroleum N.V. (Netherlands)	60	—
Shell Petroleum Company Ltd (United Kingdom)	60	—
	<i>Percentage by holding companies</i>	<i>Total assets (1982) Millions of Pounds Sterling (£)</i>
(For Shell Petroleum N.V. and Shell Petroleum Company Ltd as holding companies of the Royal Dutch/Shell Group	—	32 077
Nine service Companies located in the United Kingdom and the Netherlands	100	—
Group operating companies located in over 100 countries around the world	100	—

12. The Group's 169 principal operating companies are located in countries throughout Western Europe (56), the Middle and Far East (45), Africa (29 (10 in southern Africa)), North, Central and South America (17), Australasia (13) and the Caribbean (8) and are engaged in various sectors of the oil, gas, coal, chemical, base metals and agricultural industries.³²

4. Economic information

13. The nature of the "Shell" Transport and Trading Company PLC involvement in Namibia is petroleum (importing and distribution). Table 2 summarizes its financial status from 1966 to 1982.

TABLE 2. FINANCIAL SUMMARY, SHELL TRANSPORT AND TRADING COMPANY PLC ³⁴
(Millions of pounds sterling (£))

<i>Economic data</i>	<i>Termination of mandate 1966</i>	<i>ICJ advisory opinion 1971</i>	<i>United Nations Decree No 1 1974</i>	<i>1978</i>	<i>1981</i>	<i>1982</i>
Total assets ^a	3 841 (1 536)	5 736 (2 294)	8 931 (3 356)	14 029 (5 611)	25 803 (10 321)	32 077 (12 830)
Gross revenues ^b	4 070 (1 638)	7 623 (3 049)	17 724 (7 089)	30 382 (12 257)	50 644 (20 257)	56 877 (22 750)
Income before taxes ^c	461 (184)	1 058 (423)	3 876 (1 550)	2 949 (1 149)	5 897 (2 325)	6 210 (2 447)
Taxes.....	225 (90)	666 (266)	2 806 (1 122)	1 863 (745)	3 908 (1 563)	4 217 (1 686)
Net income after taxes	236 (94)	370 (148)	1 070 (428)	1 086 (404)	1 989 (762)	1 993 (761)
Long-term debt.....	428 (171)	964 (385)	1 430 (572)	2 856 (1 142)	5 154 (2 061)	6 395 (2 558)

NOTE Figures in brackets are approximate amounts for Shell T&T on the basis of the 60:40 ratio in which the Royal Dutch/Shell Group shares its assets, revenues and taxes. Figures above are for Royal Dutch and Shell T&T as a Group.

^a Total assets expressed as total assets less current liabilities.

^b Gross revenues expressed as total sales proceeds, operating income and other income before deductions for sales taxes and excise duties.

^c Figures for net income pre-taxation are calculated on the basis of figures stated for tax and net income after tax.

B. SHELL OIL SOUTH WEST AFRICA, NAMIBIA

1. Basic data and operations

<i>Name of subsidiary:</i>	Shell Oil South West Africa.
<i>Addresses in Namibia:</i>	(a) Shell Packing Depot, 52 Post Street, Box 314, Swakopmund. ³⁵ (b) Shell Oil Company of South West Africa, P.O. Box 110, Windhoek. ³⁶
<i>Telephone numbers:</i>	(a) Swakopmund 4134. (b) Windhoek 26141.
<i>Date established:</i>	About 1920. ³⁷
<i>Common stocks:</i>	(Wholly owned subsidiary of parent company.)
<i>Number of shareholders:</i>	One (parent company).
<i>Shareholders of subsidiary:</i> ³⁸	

<i>Company</i>	<i>Percentage held</i>
Shell Petroleum Company Ltd ^a (United Kingdom)....	100
Shell Petroleum N.V. ^a (Netherlands).....	

^a Wholly owned holding company of the Royal Dutch/Shell Group, conducting operations of Group companies.

14. The operations of Shell Oil South West Africa (Shell SWA) in Namibia comprise the receiving, storing

and marketing of petroleum products under the Shell brand name. The petroleum sold by Shell SWA is supplied from the Shell and B.P. South African Petroleum Refineries (Pty) Ltd plant, located in Durban, South Africa, in which Shell Petroleum Company Ltd and Shell Petroleum N.V. as the two Group holding companies hold a 50 per cent interest with the British Petroleum Company PLC of the United Kingdom.³⁹ The refinery commenced operations in 1963.⁴⁰ In 1982 its refining capacity averaged 167,000 barrels per day and the petroleum which it produces annually is shared on a 50:50 basis by the marketing companies of Shell and B.P. in South Africa and Namibia.⁴¹

15. Shell Oil SWA was established about 1920 and has operated in the territory for over 60 years.⁴² In 1982 Shell Oil SWA supplied approximately 12,000 barrels of petroleum a day, and on an annual basis supplies 20 per cent of the petroleum marketed in Namibia.⁴³ No further economic data, nor information on employment conditions, on Shell SWA in Namibia are available.

16. Although petroleum marketed by Shell Oil SWA is used for civil transportation, the Area Coordinator for Southern Africa of Royal Dutch/Shell, Mr. S.G. Clark, stated to a delegation from the United Nations Council for Namibia in 1982 that it was likely that Shell Oil SWA sold petroleum and petroleum pro-

ducts to the South African Defence Force (SADF) operating in Namibia.⁴⁴ Mr. Clark maintained that a foreign company had to deal in practice with the régime that actually controlled a territory and, although the administration and military occupation of Namibia was illegal, he considered that a company had only one posture to adopt when operating in foreign countries. "If the business is there to be done to our standard, we will compete for it."⁴⁵

17. In 1982 Shell Oil SWA operated eight joint service offices with British Petroleum and, excluding its main headquarters in Namibia and a chain of petrol stations, also operated three service offices of its own.⁴⁶

2. Prospecting

18. In 1968 Shell Eksplorasi Suidwes-Afrika (Shell Ek. SWA) was established as a wholly owned subsidiary of the Royal Dutch/Shell Group.⁴⁷ A statement by Shell T&T in 1968 confirms that the purpose of Shell Ek. SWA was to conduct onshore and offshore prospecting operations in Namibia.⁴⁸ The exploration rights and prospecting operations were acquired and undertaken in partnership with a subsidiary company of the British Petroleum Company PLC and continued to approximately 1972.⁴⁹ By 1974 Shell Ek. SWA had been dissolved as a company.⁵⁰ The results of the prospecting operations have not been publicly disclosed. No further information regarding the operations of Shell Oil SWA in Namibia is available. For management information see annex 1.

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X. STANDARD CHARTERED BANK PLC

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A. PARENT CORPORATION, UNITED KINGDOM

1. *Background*

<i>Name of parent:</i>	Standard Chartered Bank PLC.
<i>Namibian subsidiary:</i>	Standard Bank South West Africa Ltd.
<i>Registered office:</i>	10 Clements Lane, Lombard Street, London EC4N 7AB, United Kingdom.
<i>Telephone number:</i>	01-623 7500.
<i>Date incorporated:</i>	1970 (following the merger of the Standard Bank and the Chartered Bank). ¹
<i>Rank by assets in field of operation:</i>	The 48th in the world as a bank (at 31 December 1981). ²
<i>Total number of employees:</i>	Approximately 55,000. (5,800 in United Kingdom ³ 49,200 in offices abroad.)
<i>Shareholder information:</i>	Standard Chartered Bank PLC has a 100 per cent interest in 20 subsidiary companies under the Standard Chartered group (direct interest in twelve) and an interest of 50 per cent or above in 19 of its subsidiary or associated companies operating around the world. No company or person holds an interest of 5 per cent or more in the issued share capital of the parent. ⁴

2. *Operations*

1. The Standard Bank PLC was formed in 1970 following the merger between the Standard Bank Limited and the Chartered Bank Limited. Although the head offices of the two banks were located in London their banking operations were extensively conducted overseas, Standard through its business in Africa and Chartered through its business in Asia and the Far East.

2. The Standard Bank Ltd was formed in 1862 as the Standard Bank of British South Africa Ltd and opened its first branches in South Africa in 1863.⁵ As one of the first banks to be established in southern Africa the Bank was engaged in banking services for the British colonial governments in the Cape and Transvaal.⁶ The articles of the Bank were amended in the early 1880s to allow it to operate beyond the British colonial administration and as the Standard Bank of South Africa Ltd the Bank extended its business to other parts of Africa, which included the former territory of Rhodesia, as well as South West Africa (Namibia), Malawi, Kenya and Uganda.⁷

3. In 1962 the Bank changed its name to the Standard Bank Ltd and restructured its operations, making its South African business a locally incorporated subsidiary.⁸ In 1965 the Bank acquired the Bank of West Africa Ltd to form the Standard Bank of West Africa Ltd and as a result expanded its business beyond its major areas of operation in southern Africa.⁹ By 1968, one year before its amalgamation with the Chartered Bank Ltd, over 1,000 of Standard's 1,200 offices were located in Africa, with 800 of these conducting business in South Africa and Namibia.¹⁰

4. The Chartered Bank Ltd was incorporated by Royal Charter in London in 1853 as the Chartered Bank of India, Australia and China.¹¹ Between 1858 and 1901 the Bank expanded its business in Asia with operations in Singapore, Hong Kong, the Philippines and Japan.¹² In 1902 and 1904 respectively, the Bank also began operations outside of its traditional areas of activity, through the commencement of business in the United States and what is now the Federal Republic of Germany.¹³ In 1956 the Bank shortened its name to the Chartered Bank Ltd and one year later acquired the Eastern Bank Ltd, which, as a wholly owned subsidiary, extended its banking operations to the Middle East.¹⁴ At the time of its amalgamation with the Standard Bank Ltd in 1970 the Chartered Bank Ltd operated over 165 overseas offices and financial companies in 28 countries outside the United Kingdom, of which 138 were located in Asia.¹⁵

5. After the merger of the two banks into the Standard Chartered Bank Ltd its business was quickly expanded in existing operations in the United States and new banking business in Latin America, and particularly Western Europe. Apart from expanding its operations in the United Kingdom the Bank commenced business in nine West European states between 1970 and 1981.¹⁶ During this time the bank also diversified operations beyond commercial banking into consumer credit,

equipment leasing, insurance broking and merchant banking.

6. In South Africa, where Standard Bank Ltd had its origins, the Standard Bank Investment Corporation (STANBIC) is the holding company for the operations of Standard Bank of South Africa Ltd and Standard Bank SWA Ltd (Namibia), with a 100 per cent interest in each. STANBIC is itself a 58 per cent owned subsidiary of the Standard Bank PLC (United Kingdom), a wholly owned subsidiary of Standard Chartered Bank PLC.¹⁷

7. In 1982 Standard Chartered Bank PLC operated as the largest independent international bank in the United Kingdom.¹⁸ Most of its assets of £19.8 million (1981) and £24.3 million (1982) were derived from the business of the Bank's 1,900 offices, of which 1,426 are located outside the United Kingdom.¹⁹

3. Structure of corporation

8. The principal non-Namibian subsidiary companies (listed in Table 1) of the Standard Chartered Bank Limited are engaged in three main forms of banking activity: Commercial banking (Africa, Middle and Far East, Western Europe and North America); Merchant banking (United Kingdom, Africa, Far East and Australia) and Instalment finance and leasing (Africa, Far East, United Kingdom and Australia).²⁰ The main

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, STANDARD CHARTERED BANK PLC²²

Subsidiary	Percentage owned by parent	Total assets (1982) (million rands (R))
Commercial Banking		
The Standard Bank PLC	100	—
Standard Bank Investment Corporation Ltd	58	10 019
The Standard Bank of South Africa Ltd	58	6 203
Standard Bank Zambia Ltd	90	—
Standard Bank Botswana Ltd	100	—
Standard Bank Sierra Leone Ltd	81	—
Union Bank (California), United States	100	—
Standard Chartered Bank of Canada	100	—
Merchant Banking		
Standard Chartered Merchant Bank Ltd (UK)	100	—
Standard Merchant Bank Ltd (South Africa)	58	913
Standard Merchant Bank Zimbabwe Ltd	100	—
Standard Chartered Merchant Bank Asia Ltd (Singapore)	100	—
Standard Chartered Australia Ltd	100	—
Instalment Finance and Leasing		
Chartered Trust PLC (UK)	100	—
Standard Chartered Leasing Company Ltd (UK)	100	—
Standard Bank Corporate Finance Ltd (South Africa)	58	1 971
Chartered Credit (Hong Kong) Ltd	100	—
Chartered Finance Co. Ltd (Singapore)	100	—
Standard Chartered Finance Ltd (Australia)	53	—

areas in which the offices of the Bank and its subsidiaries are located are Africa (over 1,070), Middle and Far East (over 210), Western Europe (over 130) and North America (over 70). In these areas the Bank has an interest of 50 per cent and above in 19 commercial banking subsidiaries, 4 merchant banking subsidiaries and 12 instalment finance and leasing subsidiaries.²¹

4. Economic information

9. The nature of The Standard Chartered Bank PLC involvement in Namibia is banking. Table 2 summarizes its financial status from 1971 to 1982.

B. STANDARD BANK SOUTH WEST AFRICA LTD, NAMIBIA

1. Basic data and operations

Name of subsidiary:	Standard Bank South West Africa Limited. (The Bank's operations in Namibia are incorporated as a wholly owned subsidiary of Standard Bank Investment Corporation Limited, South Africa.)
Address in Namibia:	7th Floor, Craigmyle Bldg., 227 Kaiser Street, Windhoek 9000. ²⁴
Telephone number:	Windhoek 37630.
Date established:	1978. (Business previously conducted by the Standard Bank of South Africa Ltd until subsidiary was established.)

Shareholders of subsidiary:

Company	Percentage held
Standard Bank Investment Corporation Ltd (South Africa) ^a	100

^a Standard Bank Investment Corp. Ltd is the immediate holding company of Standard Bank South West Africa Ltd and the Standard Bank of South Africa Ltd, and is a 58 per cent owned subsidiary of Standard Chartered Bank Ltd, United Kingdom.

10. The banking operations of Standard Chartered in Namibia date back to 1918, and followed from the development and expansion of its operations in South Africa.²⁶ Between 1918 and 1961 the Bank's business in Namibia was conducted as part of the South African banking operations of The Standard Bank of South Africa Limited, Standard's former parent.²⁷ This operation was continued in 1962 when the Standard Bank South Africa became a locally incorporated subsidiary of the Standard Bank Ltd, with responsibility for conducting business in South Africa and Namibia.²⁸ In 1973, following the merger between Standard and Chartered, the Bank established the Standard Bank South West Africa (SWA) Ltd to conduct its business in Namibia.²⁹ As a wholly owned subsidiary of Standard Bank Investment Ltd (STANBIC), the Banks South African holding company, the decision to incorporate the Standard Bank SWA Ltd as a separate subsidiary from the Standard Bank South Africa Ltd was described by Standard Chartered as having been made in order to prepare for Namibia's eventual independence.³⁰

11. At the time of Standard Bank SWA Ltd's incor-

TABLE 2. FINANCIAL SUMMARY, STANDARD CHARTERED BANK PLC 23
(Millions of pounds sterling (£))

<i>Economic data</i>	<i>ICJ advisory opinion 1971</i>	<i>United Nations Decree No.1 1974</i>	<i>1978^a</i>	<i>1981</i>	<i>1982</i>
Total assets.....	2 524	4 579	8 497	19 822	24 307
Income before taxes.....	30.8	69.8	133.4	260.4	242.0
Taxes.....	13.6	33.2	69.4	101.9	97.8
Net income after taxes.....	17.1	36.6	63.9	158.5	144.2
Current, deposit and other accounts.....	2 358	4 307	7 947	18 340	22 616

NOTE: No figures are available for 1966 as the amalgamation which formed Standard Chartered Bank PLC only took place in 1970.

^a Figures for the years 1971, 1974 and 1978 are for the financial year ending 31 March. After 1978 the Bank's financial year was changed to 31 December.

poration in 1978, its immediate holding company, STANBIC, was 59.5 per cent owned by Standard Chartered Ltd, United Kingdom.³¹ This was reduced to 58 per cent in 1980 and will fall to 50 per cent by 1985, as a result of the South African Bank Amendment Act of 1974.³²

12. Although the incorporation of Standard Bank SWA Ltd was an indication of the Bank's recognition of the South African established administration in Namibia, Standard Chartered stated in 1982 that it considered the formation of the Namibian subsidiary as a step which would protect Namibia from the pernicious effects of the flight of capital to South Africa after independence.³³

13. In 1982 Standard Bank SWA Ltd operated 34 branches throughout Namibia.³⁴

2. Economic information and banking activity

14. Operations commenced 1 August 1978. The Standard Bank of South Africa Ltd operated in Namibia from about 1915 until Standard Bank SWA Ltd was established in 1978. There is no economic information (Table 3) on subsidiary before 1978.

TABLE 3. FINANCIAL SUMMARY, STANDARD BANK SOUTH WEST AFRICA LTD³⁵

(Millions of SA rands)

	<i>1978^a</i>	<i>1981</i>	<i>1982</i>
Total assets.....	75.4	133.0	144.5
Operating profit ^b	1.9	8.7	13.4
Interest paid.....	1.4	5.6	9.9
Taxes.....	0.21	1.3	1.4
Net income after taxes.....	0.35	1.8	2.1
Current, deposit and other accounts.....	71.9	125.8	132.9

^a Figures are for the five-month period up to 31 December 1978 following the bank's commencement of operations on 1 August.

^b Operating profit before interest paid is stated by Standard Bank SWA Ltd as being profit "after crediting or charging" and "interest income from subsidiary" and "income from investments".

15. Standard Bank SWA Ltd is the second largest bank operating in Namibia. Through its 34 branches,

Standard Bank SWA Ltd held approximately 20 per cent of the total Namibian bank deposits at the end of 1981.³⁶ Since Standard Bank SWA was incorporated, the number of branches operated in Namibia has increased from 29 in 1978 to 34 in 1982.³⁷ Standard Chartered has subsidiaries in 13 African States including 863 branches in South Africa, 57 in Zimbabwe, approximately 38 in Kenya and 35 in Zambia. Standard Bank SWA Ltd, in Namibia with 34 branches has one of the largest operations.

16. In 1976 it was confirmed that the Standard Bank of South Africa Ltd, which at that time conducted the Bank's operations in Namibia as a direct part of its own operations, had purchased an undisclosed amount of South African Defence Bonds through the use of its clerical worker's pension fund.³⁹ The Bonds were issued by the South African Government to help finance its military forces operating in Namibia. At the Annual General Meeting of Standard Chartered Bank Ltd in 1977 the Chairman stated that as there was no legal connexion between Standard Chartered and the pension fund of its South African subsidiary no assurance would be given that the Bonds would be sold.⁴⁰

17. In regard to South Africa's military occupation of Namibia, Standard Chartered acknowledged in 1982 that several of its bank officials in South Africa had at various times served on the South African Defence Board. The Bank also acknowledged the important part which the defence industry played in the South African economy and to the banking sector in particular.⁴¹

18. Although the incorporation of Standard Bank SWA Ltd in 1978 indicated the Bank's recognition of the Namibian administration established by South Africa through its elections of December 1978, which were unrecognized by virtually all Member States of the United Nations, Standard Chartered stated in 1982 that it considered the formation of its Namibian subsidiary as a step which would protect Namibia from the pernicious effects of the flight of capital to South Africa following independence.⁴² In 1978, the last year in which the Bank's branches in Namibia were part of the business of the Standard Bank of South Africa Ltd, approxi-

mately 15 per cent of the deposits held in Namibia were transferred to South Africa.⁴³

19. In regard to the operations of foreign banks in Namibia, the Report of the United Nations Council for Namibia for 1981 stated that "The continuing association of foreign banks with South Africa has not only bolstered the policies of the *apartheid* régime but has impeded Namibia's transition to independence. The vast network of foreign bank branches extends into Namibia and the financing of the South African military enables the racist régime to carry out its repressive war in Namibia."⁴⁴

20. At 31 December 1981, Standard Bank SWA Ltd reported a net income of R 1.8 million, an increase of 69 per cent on the previous year. At 31 December 1982 the Bank reported the net income from its Namibian operations as a record at R 2.1 million, an increase of 17 per cent on 1981. The entire issued share capital of the Bank's 1,555,000 shares of R 1 each are completely owned by Standard Bank Investment Corporation Limited, registered in South Africa.⁴⁵

3. Employment conditions

21. Employees number 482 clerical and managerial staff,⁴⁶ not including non-clerical employees. No information is available on wages and salaries. Table 4 gives known statistics.⁴⁷

TABLE 4. EMPLOYMENT STATISTICS, STANDARD BANK SOUTH WEST AFRICA LTD

	Year	Total	White
Employment breakdown.....	1982	482	—
	1981	389	—
	1980	332	—
	1979	320	240

NOTE: Above totals are for clerical and managerial staff and do not include non-clerical and non-managerial employees.

22. At a meeting with a delegation from the United Nations Council for Namibia in 1982 the Deputy Managing Director of Standard Chartered Bank PLC acknowledged that although the Bank followed the policy of *apartheid* in its employment practices in Namibia, it made great efforts to train local staff to assume increasingly demanding roles in the operation of the Bank.⁴⁸

23. At the same levels of job grade, the Managing Director indicated that there was no discrimination in wages between blacks and whites. He admitted, however, that this did not answer the real question, which was how many blacks in Namibia were employed at a high grade. He stated that there were very few, which was a result of the Territory's poor educational endowment.⁴⁹

24. In 1979, the last occasion on which Standard Bank SWA Ltd publicly stated information on the numbers of white and black employees, 75 per cent (240) of its 320 clerical and managerial staff were white,

with approximately 9 per cent being seconded from the Standard Bank Group in South Africa.⁵⁰ (No information on the numbers of non-clerical and managerial employees was given.) At the year ending 31 December 1982 the Bank employed 482 clerical and managerial staff, 60 per cent of whom were female. Approximately 97 per cent of the clerical and managerial staff were reported as being recruited in Namibia.⁵¹ However, of the nine directors on the board of Standard Bank SWA, four were stated as "resident in the Republic of South Africa".⁵² The board's Chairman is the Chairman of Standard Bank Investment Corporation Ltd in South Africa.⁵³ (No information on the numbers of black and white clerical and managerial staff recruited in Namibia was given.)

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* Source material referred to in Annex I.

XI. TOTAL-COMPAGNIE FRANCAISE DES PETROLES

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A. PARENT CORPORATION, FRANCE

1. Background

<i>Name of parent:</i>	TOTAL-Compagnie Française des Pétroles.
<i>Namibian subsidiary:</i>	The company has an investment in Namibia through the interests of a wholly owned subsidiary in Rossing Uranium Ltd, prospecting interests with other companies and through its South African subsidiary is an importer and distributor of petroleum products.
<i>Registered office:</i>	5 rue Michel-Ange, 75781 Paris Cedex 16, France.
<i>Telephone number:</i>	743.80.00.
<i>Date incorporated:</i>	1924. ¹
<i>Rank by assets in field of operation:</i>	The tenth in the world as an international petroleum company. Sixth largest industrial company in Western Europe. ²
<i>Total number of employees:</i>	47,290. ³ (2,557 at Head Office in France, 23,661 in refining and marketing, 15,634 in petrochemicals, 5,338 in other operations.)
<i>Total number of shareholders:</i>	Six principal shareholders. ⁴
<i>Shareholder information:</i>	TOTAL-Compagnie Française des Pétroles has a 100 per cent interest in 26 of its 119 major subsidiary companies, all of which are directly held (consolidated) subsidiaries and a direct interest of between 50 to 100 per cent in 59 of its remaining subsidiary companies. ⁵ The French Government is the principal shareholder with a 35 per cent capital interest and holds 40 per cent of the total voting rights. ⁶ The

other principal shareholders, each of which has a capital interest of less than 5 per cent, are as follows:⁷

	Percentage held
Group Banque de Paris et des Pays-Bas.....	2.68
Groupe Banque Nationale de Paris.....	2.34
Groupe de la Caisse des Depots	4.86
Groupe G.A.N.....	1.19
Groupe U.A.P.....	2.61

The share capital of TOTAL-Compagnie Française des Pétroles is 1,364,400,200 francs, consisting of 27,288,004 shares of Fr50, of which 126,673 are "A" shares each carrying 20 voting rights and 27,161,331 are "B" shares each carrying 1 voting right.⁸ The interests of the French Government in the company comprise approximately 121,000 "A" shares (95.9 per cent of the total) and approximately 9,300,000 "B" shares (34 per cent of the total).⁹

2. Operations

1. TOTAL-Compagnie Française des Pétroles (Total-CFP), was established in 1924 by a group of French bankers and industrialists at the request of the French Government.¹⁰ The Company was authorized to acquire the 24 per cent interest in the Turkish Petroleum Company, which the French Government had received from the former state of Germany, and with it develop a national petroleum industry.¹¹ In 1927 the Turkish Petroleum Company made its first oil strike in Iraq, enabling Compagnie Française des Pétroles (CFP) to establish itself as an oil producer. Two years later, in 1929, CFP moved into refining and in 1931 into shipping.¹²

2. In 1930 the French Government and CFP entered into an agreement (the "1930 Convention"), as a result of which the Government acquired a 25 per cent interest in the company and in return, apart from minor agreements formulated at the time the company was established, enabled CFP to operate independently of Government control.¹³

3. After the Second World War, CFP expanded considerably, establishing a petroleum marketing network in the French colonies in Africa, which was followed by similar networks in France and later throughout Europe.¹⁴ In 1954 the "Total" brand name was created as the marketing name for all CFP products; this was followed two years later by a decision to diversify the operations of the Total-CFP group, through acquiring

interests in the petrochemical industry.¹⁵ In 1968 those interests were extended further through formation of Total Chimie which by 1980 had become a holding company with interests in companies producing chemicals, gas and plastics.¹⁶

4. After acquiring an interest in Cie Française de l'Azote (Cofaz), a major producer of fertilizer, in 1968, Total-CFP continued to diversify its operations in the early 1970s through acquiring interests in or participating with companies engaged in coal mining, uranium mining and the development of solar energy in the United States, southern and central Africa and France.¹⁷ The company's involvement in uranium mining was consolidated in the mid-1970s when Total-CFP acquired a 50 per cent interest in Minatome S.A. which was established to undertake prospecting, exploration and marketing of uranium ore.¹⁸

5. In response to the monopolization of the oil fields of Saudi Arabia by oil companies known as the "seven sisters" and the nationalization of its oil interests in Algeria (1970) and Iraq (1972), Total-CFP began to diversify its sources of petroleum to supplies obtained through concessions in Abu Dhabi, Indonesia, Tunisia and the North Sea.¹⁹ After negotiations with the governments of Algeria and Iraq, agreements to renew supplies from those sources were also reached.²⁰

6. In the mid-1970s the company expanded its national and international operations further through the acquisition in 1974 of Hutchinson-Mapa, the largest manufacturer of industrial rubber in France, which was followed in 1977 with the acquisition of Société Rousselot, one of the world's largest manufacturers of gelatine and the largest French producer of glues and adhesives.²¹ The interests of the company in the mining and production of uranium also expanded when Total-CFP acquired full control over Minatome S.A. at the end of 1982, through purchasing the 50 per cent interest held in the company by the French-based Pechiney Ugine-Kuhlmann group.²²

7. In 1982 the international operations of Total-CFP comprised the production of oil, gas and coal in 19 countries, the operation of 20 refineries in 12 countries and the marketing of Total products in 50 states.²³ In the same year Total-CFP through its major subsidiaries produced 44.3 million tonnes of crude oil (Total-CFP group), refined and sold 23.8 million tonnes of petroleum (Compagnie Française de Raffinage), operated a fleet of 11 tankers totalling over 2.6 million deadweight tons (Total Compagnie Française de Navigation) and sold more than 509,000 tonnes of liquified gas (Totalgaz Compagnie Française des Gaz Liquefies).²⁴

8. At the end of 1982 Total-CFP was one of the six largest industrial corporations in Western Europe, on the basis of total assets, and is probably the tenth largest oil company in the world.²⁵ The Total-CFP group consists of over 200 subsidiary companies and in 1982 had available resources of approximately 70 million tons of oil and 180 billion tons of natural gas.²⁶

9. The operations of Total-CFP in Namibia are conducted through two of its major subsidiary companies, Minatome S.A., which has interests in the mining and production of uranium oxide and is participating in prospecting operations for new uranium deposits, and Total South Africa (Pty) Ltd, which is engaged in the importation and distribution of petroleum products.

3. Structure of corporation

10. The international operation of the Total-CFP group are conducted through 21 major subsidiary companies.²⁷ The 17 subsidiaries (listed in table 1) which contributed most to Total-CFP's sales revenues in 1982 and their respective areas of operation are as follows: Exploration and production of oil and gas: Compagnie Française des Pétroles (Algerie), Total Oil Marine Ltd, Total Marine Norsk, Total Indonesie, Total Petroleum (North America) Ltd; Refining of all products: Compagnie Française de Raffinage, Total Raffinaderij Nederland N.V.; Marketing of oil products: Total Compagnie Française de Distribution; Joint refining and marketing: Total Societa Italiana per Azioni, Total Oil Great Britain Ltd, Total Afrique, Total South Africa (Pty) Ltd; Shipping: Total Compagnie Française de Navigation; Marketing of liquid gas: Total Compagnie Française des Gaz Liquifies; Rubber industry: Hutchinson Mapa; Fertilizer industry: Cofaz; Exploration and marketing of uranium: Minatome S.A.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, TOTAL-COMPAGNIE FRANCAISE DES PETROLES²⁸

Subsidiary	Percentage owned by parent	Total assets ^a (1982) Millions of French Francs (FF)
Compagnie Française des Pétroles (Algerie)	85.0	5 756
Total Oil Marine Ltd	100.0	15 060
Total Norsk	100.0	2 927
Total Indonesie	100.0	2 641
Total Petroleum (North America) Ltd	53.2	10 048
Compagnie Française de Raffinage	68.5	46 160
Total Raffinaderij Nederland N.V.	80.0	—
Total Compagnie Française de Distribution	89.7	39 060
Total Societa Italiana per Azioni	100.0	7 263
Total Oil Great Britain Ltd	100.0	4 951
Total Afrique	100.0	947
Total South Africa (Pty) Ltd	57.6	2 668
Total Compagnie Française de Navigation	97.9	733
Totalgaz Compagnie Française des Gaz Liquifies	91.1	1 691
Hutchinson Mapa	97.9	2 973
Cofaz	33.5	2 496
Minatome S.A.	100.0	339
Others: Total Chimie (100), Total Energie Development (99.5), Total Exploration South Africa (85), Total Refining South Africa (Pty) Ltd (57.6)		

^a Figures expressed are for sales revenue as figures for total assets are not available.

4. Economic information

11. The nature of the TOTAL Company's involve-

ment in Namibia is (1) mining (uranium), (2) prospecting (uranium), and (3) petroleum (imports and distribution). Table 2 is a financial summary from 1966 to 1982.

TABLE 2. FINANCIAL SUMMARY, TOTAL-COMPAGNIE FRANÇAISE DES PETROLES²⁹
(Millions of French francs)

Economic data	Termination of mandate 1966	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981	1982
Total assets	8 429	18 549	36 706	48 110	79 493	88 069
Gross revenues ^a	5 616 (2 139)	13 212 (4 931)	42 817 (14 637)	56 313 (12 681)	123 117 (23 117)	131 714 (22 093)
Net income	1 389	3 501	12 384	8 557	14 496	12 461
Taxation ^b	964	2 771	10 281	8 193	13 751	13 535
Profits of associated companies	—	7	56	87	125	4
Net income ^c	424	737	2 159	451	870	-1 070
Shareholder equity	3 092	5 942	7 882	10 514	21 257	20 703
Long-term debt	1 261	3 627	6 105	10 311	10 744	12 974

^a Gross revenues expressed as total sales revenues. Figures below in brackets are for gross operating profits before adjustments for depreciation and financial costs.

^b Taxes are expressed as taxes paid to governments abroad and to the French state.

^c Net income is expressed as net Group income, including profits of associated companies.

B. MINATOME S.A., FRANCE

1. Basic data and operations

Name of subsidiary:	Minatome S.A. (interests in the prospecting for and production of uranium).
Address:	5 rue Michel-Ange, 75781 Paris Cedex 16, France. ³⁰
Telephone number:	Paris 743.80.00.
Date established:	Mid-1970s.
Common stocks:	(Wholly owned subsidiary of parent company.)
Number of shareholders:	One (parent company).
Shareholders of subsidiary ³¹ :	

Company	Percentage held
Total-Compagnie Française des Pétroles (France).....	99.9

12. Minatome S.A. was established in the mid-1970s as a jointly operated subsidiary of Total-CFP and the French based Pechiney Ugine-Kuhlmann group, each of which acquired a 50 per cent interest.³² The purpose of Minatome's operations was to take over and develop the interests of the two companies in the production and marketing of uranium. At the end of 1982, Total-CFP acquired full control of Minatome S.A. by purchasing the 50 per cent interest held by Pechiney Ugine-Kuhlmann.³³

13. The interest of Total-CFP in the mining and production of Namibian uranium commenced in the early 1970s when its 99 per cent owned subsidiary, Total Compagnie Minière et Nucleaire (TCMN), acquired 10 per cent interest in the operations of Rossing Uranium Ltd, the uranium mining subsidiary of the United Kingdom based Rio Tinto-Zinc Corporation PLC.³⁴ The interests and operations of TCMN were taken over by

Minatome S.A. on its formation. In 1978, the 10 per cent interest of Minatome S.A. in the Rossing uranium mine was decreased to 5 per cent until 1982, when its interest returned to a 10 per cent holding.³⁵

14. As a wholly owned subsidiary of Total-CFP, Minatome S.A. holds no contracts to supply uranium from the Rossing mine to France. However, because the French Government is the principal shareholder of Total-CFP, the parent company's financial interest in Rossing Uranium Ltd was a major factor in the agreement which secured supplies of uranium from Rossing to COMURHEX, the French state-controlled nuclear energy company.³⁶ The total volume of the uranium supplied to COMURHEX, which commenced in approximately 1978 and was to continue until the mid-1980s, has never been fully substantiated. It has been stated, however, that the supplies of uranium from Rossing represent a "substantial amount" of all French uranium imports.³⁷

15. In addition to the interests of Minatome S.A. in the mining and production of uranium, the company is also engaged in prospecting activities for new deposits of uranium in Namibia.³⁸ The involvement of Minatome S.A. is through its participation in prospecting ventures with other mining corporations. (For further information on the prospecting activities of Minatome S.A. see under 2, Economic information and prospecting activity, and for information of Rossing Uranium Ltd see Chapter VIII, Rio Tinto-Zinc Corporation PLC.)

2. Economic information and prospecting activity

16. The prospecting activities of Minatome S.A. in Namibia commenced about 1974 when it participated in a uranium prospecting venture operated by the Anglo-American Corporation of South Africa Ltd.³⁹

The participation of Minatome S.A. was initially conducted by Total Compagnie Minière et Nucléaire and comprised a 15 per cent interest each in four prospecting operations and a 12.25 per cent interest in one operation, for which the Anglo-American Corporation had obtained prospecting licences.⁴⁰ The total geographical area covered by the licences was 2,433 square kilometres, of which the largest prospecting area at Welwitsch covered 810 square kilometres.⁴¹

17. Although the results of the five uranium prospecting operations which commenced in 1974 have not been disclosed, Minatome S.A. has continued its prospecting activities with the Anglo-American Corporation. In 1978 the company held a 7.5 per cent interest in one prospecting operation covering 1,675 square kilometres and a 6 per cent interest in another operation of 830 square kilometres.⁴² In 1982 Minatome S.A. had interests in two prospecting ventures. The first consisted of a 15 per cent interest in an operation conducted by the Anglo-American Corporation under a prospecting licence which covered an area of approximately 350 square kilometres. The second consisted of an interest of over 50 per cent in a prospecting venture operated by Cadrim Namibia under a licence which covered an area of approximately 2,800 square kilometres.⁴³ No information is available to indicate whether the uranium prospecting operations in which Minatome S.A. participated in 1982 were in the same areas of Namibia as those operations in which it has participated since 1974. For further information on the interests of Minatome S.A. in Rossing Uranium Ltd, see under VIII, the Rio Tinto-Zinc Corporation PLC.

(Pty) Ltd.⁴⁸ Its present name was adopted in 1967, when the company was a 99.99 per cent owned subsidiary of Total-CFP.⁴⁹ Since that time the interest of the parent company had gradually been reduced to 79.6 per cent in 1970, to 76.9 per cent in approximately 1978 and to 57.6 per cent in 1980.⁵⁰ The fall in Total-CFP's shareholding has been replaced by South African interests. In March 1980 the Rembrandt tobacco group acquired 20 per cent of the company's shares, which increased South African interests in Total South Africa (Pty) Ltd to 38 per cent, the remaining 18 per cent are held by the Volkskas banking group and the South African Mutual Life Insurance Society.⁵¹

19. Total South Africa (Pty) Ltd is responsible for refining and marketing the petroleum products of Total-CFP in southern Africa and, in addition to its operations in Namibia, also operates in South Africa, Botswana, Swaziland and Mozambique.⁵² The operations of Total South Africa (Pty) Ltd in Namibia comprise the importation and distribution of petroleum products and the operation of a bulk marine terminal at Walvis Bay.⁵³ The terminal is similar to the company's six other marine terminals in South Africa. A further inland bulk petroleum terminal is also operated by the company in Namibia, the location of which is not stated.⁵⁴ No information is available on the volume of petroleum distributed by Total South Africa (Pty) Ltd in Namibia. No further information on economics or employment conditions for Total South Africa (Pty) Ltd in Namibia is available. For management information see annex I.

C. TOTAL SOUTH AFRICA (PTY) LTD

<i>Name of subsidiary:</i>	Total South Africa (Pty) Ltd. (Importer and distributor of oil products in Namibia.)
<i>Address in Namibia:</i>	Total Centre, 23 Jorissen Street, Johannesburg, South Africa. ⁴⁴
<i>Telephone number:</i>	Johannesburg 724 1331.
<i>Date established:</i>	1954 as Total Oil Products (Pty) Ltd, present title adopted 1967. ⁴⁵
<i>Common stocks:</i>	Total issued capital of 36,000,000 shares of R.50 each. ⁴⁶

*Shareholders of subsidiary:*⁴⁷

<i>Company</i>	<i>Percentage held</i>
Total-Compagnie Française des Pétroles (France).....	57.6
Rembrandt Group (South Africa)	20.0
Volkskas Group (South Africa)	18.0
South African Mutual Life Assurance Society (South Africa)	

18. The operations of Total South Africa (Pty) Ltd in Namibia comprise the importing and distribution of petroleum products. Total South Africa (Pty) Ltd was incorporated in 1954 under the name Total Oil Products

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XII. URANGESELLSCHAFT MBH

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A. PARENT CORPORATION, FEDERAL REPUBLIC OF GERMANY

1. Background

<i>Name of parent:</i>	Urangesellschaft mbH.
<i>Namibian subsidiary:</i>	The company has an investment in Namibia through its interest in the operations of Rossing Uranium Limited.
<i>Registered office:</i>	Bleichstrasse 60-62, P.O. Box 4409, D-6000 Frankfurt am Main 1, Federal Republic of Germany.
<i>Telephone number:</i>	(0611) 2 16 91.
<i>Date incorporated:</i>	1967. ¹
<i>Rank by assets in field of operation:</i>	Unknown, but outside the 500 largest European industrial companies.
<i>Total number of employees:</i>	Approximately 200. ² (All employed in the Federal Republic of Germany or subsidiaries abroad.)
<i>Total number of shareholders:</i>	Three (all corporate shareholders).
<i>Shareholder information:</i>	Urangesellschaft has three wholly owned subsidiaries, a 50 per cent interest in a chemical research company, an exploration subsidiary formed jointly with the Government of Brazil and has interests in four uranium mining companies. ³ The entire share capital of Urangesellschaft mbH is held jointly by three companies: Metallgesellschaft AG, STEAG AG and Veba AG, all based in the Federal Republic of Germany. ⁴

2. Operations

1. Urangesellschaft mbH was incorporated in 1967 following a recommendation from the Government of the Federal Republic of Germany.⁵ As the Federal Republic has very small deposits of uranium, which are not economically viable as sources of production, the country is heavily dependent on large imports of

uranium to fulfil its requirements. Urangesellschaft mbH was therefore established to assure the supply of uranium oxide for the country's existing and planned nuclear power plants.⁶

2. The operations of Urangesellschaft mbH consist of prospecting, exploration, mining and milling of uranium deposits and cover a number of other services, which include trading in uranium oxide and financing uranium transactions. The company states that the mining projects it operates are either "under the sole control of Urangesellschaft or operated jointly with reputable local partners", and are located "in all major uranium producing countries".⁷ A number of its uranium mining projects are undertaken with the financial assistance of electric power companies based in the Federal Republic of Germany.⁸

3. Since its formation in 1967, Urangesellschaft has invested in uranium mining and milling companies which operate in Australia, Namibia and the Republic of the Niger and has acquired rights to a certain proportion of the uranium produced by those companies.⁹ Through its wholly owned subsidiaries, Urangesellschaft also has interests in uranium mining companies in the United States and is engaged in exploration activities in Canada.¹⁰ The parent company is also engaged in the exploration for uranium in Brazil through a joint operation with the state government.¹¹ Urangesellschaft states that by diversifying its sources of uranium, supplies for the Federal Republic of Germany are "less susceptible to the effects of local or political upheavals".¹²

4. In the period 1968 to 1981, the trading division of Urangesellschaft sold over 17,000 tons of uranium oxide, uranium hexafluoride and enriched uranium to customers in the Federal Republic of Germany and the world market.¹³ Between 1967 and 1982 Urangesellschaft supplied more than half the uranium required by the Federal Republic of Germany.¹⁴ In addition to securing supplies of uranium oxide to the Federal Republic, Urangesellschaft also arranges conversion and enrichment services for the uranium it is supplying to electricity companies in the country and elsewhere.¹⁵

5. The operations of Urangesellschaft are controlled by three corporate shareholders, Metallgesellschaft AG, Steinkohlen-Elektrizitäts AG (STEAG) and Veba AG, each of which has a 33.3 per cent interest.¹⁶ The Government of the Federal Republic of Germany has a 43.75 per cent interest in Veba AG.¹⁷ In 1981 and 1982 the capital employed by Urangesellschaft mbH was 33 million DM¹⁸ and 42 million DM respectively.¹⁹ The company budgets approximately 20 million DM annually for uranium prospecting and exploration.²⁰

3. Structure and economic information

6. The subsidiary operations of Urangesellschaft mbH are conducted through three wholly owned companies: Urangesellschaft United States Incorporated, established in 1972; Urangesellschaft Canada Ltd, established in 1974 and Urangesellschaft Australia (Pty) Ltd established "at a very early stage" after the parent company's formation in 1967.²¹ An affiliate company Nuclebrás Auxiliar de Mineração S.A., in which Urangesellschaft has a 49 per cent interest was established to undertake exploration activities in Brazil in 1976.²² A 50 per cent interest is also held by Urangesellschaft in the Frankfurt based company URAPHOS Chemie GmbH & Co. KG and, as partners, the two companies are engaged in research to extract uranium from phosphoric acid.²³ The five are also listed in Table 1.

7. The activities of Urangesellschaft's wholly owned subsidiaries consist of participation and co-operation with several American uranium mining companies in Wyoming, Colorado, Arizona and New Mexico, through Urangesellschaft United States Inc.; uranium exploration projects in the Northwest Territories of Canada through Urangesellschaft Canada Ltd and participation in joint mining ventures in several Australian states where Urangesellschaft Australia Pty Ltd holds mineral rights.²⁴

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES.
URANGESELLSCHAFT mbH²⁵

Subsidiary	Percentage owned by parent
Urangesellschaft U.S.A. Incorporated.....	100
Urangesellschaft Canada Limited.....	100
Urangesellschaft Australia Ptd Limited.....	100
URAPHOS Chemie GmbH & Co KG (F.R.G.).....	50
Nuclebrás Auxiliar de Mineração S.A. (Brazil).....	49

8. The nature of involvement in Namibia is mining (based on an interest in the production of Namibian uranium through an investment on Rossing Uranium Limited). No economic information is available from the company. Urangesellschaft is not a publicly held company and does not produce annual reports and accounts, financial statements or economic information on its operations.

B. INTERESTS IN ROSSING URANIUM LTD

1. Basic data and operations

Name of subsidiary:	No subsidiary company established. Urangesellschaft's interests in Namibia are based on its investment in the operations of Rossing Uranium Limited. (See below.)
Address in Namibia:	(a) Rossing Uranium Ltd, P.O. Box 22931, Windhoek 9000. (b) Mine Office, Private Bag 5005, Swakopmund 9000.

Telephone number:

Windhoek 36760.

Date established:

1970.²⁶

Bankers:

Accounts held²⁷ in Namibia with 1. Barclays National Bank Ltd, 2. Standard Bank SWA Ltd, and 3. Nedbank Ltd.

Shareholders of subsidiary:²⁸

Company	Percentage held
Rio Tinto-Zinc Corporation PLC (United Kingdom).....	46.5
Industrial Development Corporation Ltd (South Africa) ^a	13.2
Rio Algom Ltd ^b (Canada).....	10.0
Total/Compagnie Française des Pétroles (France).....	5.0
Urangesellschaft mbH (Federal Republic of Germany).....	5.0
General Mining Union Corporation Ltd (South Africa).....	6.8

^a State owned or controlled companies.

^b Rio Tinto-Zinc Corp. has a 52.75 per cent beneficial interest.

9. Although Urangesellschaft mbH did not have a subsidiary operation in Namibia during the period 1968 to 1972, the company was directly involved in prospecting operations with the Rio Tinto-Zinc Corporation PLC of the United Kingdom, which contributed to the development of the Rossing Uranium mine.²⁹ Much of the financial support for Urangesellschaft's participation in developing the mine came from the Government of the Federal Republic of Germany.³⁰

10. In 1972, however, the company's direct involvement in the Rossing mine ended when the Government of the Federal Republic withdrew its financial support and terminated all participation by Urangesellschaft in its development.³¹ The official reason for the Government's decision was that since new sources of uranium had been secured in Australia and Canada, the country was less dependent on supplies from the Rossing mine in Namibia.³²

11. Although Urangesellschaft is no longer directly involved in the operations of the mine, the company has a 5 per cent interest in Rossing Uranium Ltd and has acquired rights to a certain share of the uranium it produces.³³ (For further information on Rossing Uranium Ltd, see under VIII. The Rio Tinto-Zinc Corporation PLC.)

2. Contracts and sales

12. As a result of the rights which Urangesellschaft mbH acquired to a certain amount of the uranium produced by Rossing Uranium Ltd, the company has facilitated the sale of Namibian uranium from Rossing to several electricity supply companies in the Federal Republic of Germany.

13. Veba AG, one of the three corporate shareholders of Urangesellschaft which control its

operations, has stated that its subsidiary company Preussenelektra has obtained supplies of uranium from Namibia through the assistance of Urangesellschaft.³⁴ A similar arrangement has enabled a second subsidiary of Veba, Nordwestdeutsche Kraftwerke, to also obtain supplies of Namibian uranium.³⁵

14. In regard to the amount of Namibian uranium supplied through Urangesellschaft to the Federal Republic of Germany, Veba has stated that Urangesellschaft holds an option of approximately 10 per cent of the annual production of Rossing Uranium Ltd.³⁶ No information is available concerning the period over which sales of Namibian uranium will be facilitated by Urangesellschaft mbH.

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Part Two
TRANSNATIONAL CORPORATIONS
BASED IN THE UNITED STATES AND CANADA

I. BRILUND LIMITED

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A. PARENT CORPORATION, UNITED STATES

1. *Background*

<i>Name of parent:</i>	Brilund Limited.
<i>Namibian subsidiary:</i>	Etosha Petroleum Company (Pty) Ltd.
<i>Registered office:</i>	P.O. Box 29018, Dallas, Texas 75229, United States.
<i>Telephone number:</i>	(214) 748-9394.
<i>Date incorporated:</i>	26 November 1976.
<i>Location other than registered:</i>	Liechtenstein.
<i>Bankers:</i>	First National Bank of Boston.
<i>Total number of share- holders:</i>	3,455 as of 30 April 1981.
<i>Shareholder information:</i>	4,288,257 shares common stock outstanding as of 12 May 1982. According to Brilund, over 90 per cent of its shareholders are U.S. residents. Emanuel Rosenblatt owns 27 per cent and a warrant permitting him to purchase an additional 2.2 million shares (34 per cent) until May 1985 at \$1 per share. Paul Mazur owns 3 per cent; Jules J. Rosenkranz owns 0.9 per cent.

2. *Operations*

1. When Brilund Ltd was originally incorporated in 1966, the company took over the Etosha Petroleum Company that had oil and gas prospecting rights in northern Namibia covering 260,000 square kilometres and dating back to 1959. Brilund's only active operations are in Namibia. Although the parent corporation is incorporated in Liechtenstein, over 90 per cent of the shareholders live in the U.S. and all the company

officers are from the United States. Etosha Petroleum Corporation (Pty) Ltd is Brilund's only operating subsidiary.

2. Although Etosha has oil and gas prospecting rights over an enormous part of northern Namibia the company, as of 1982, had not yet developed any commercial-grade, petroleum-producing claims. The company has declared a deficit in every year of its existence, except in 1971, and company assets consist almost entirely of the oil and mineral grants in northern Namibia which have been valued at the capital invested in them to date. This form of evaluating assets, however, is rather speculative as the assets in northern Namibia can be liquidated only if Etosha actually brings oil or mineral concessions into commercial production.

3. Brilund and its subsidiary Etosha are speculative companies that have purchased oil and mineral grants in northern Namibia in the hopes that they will one day be brought into production, at which point the company will begin to earn revenue from the property. Clearly, the value of the company depends on whether in fact there are commercially viable deposits of oil, gas or minerals in northern Namibia. Brilund has continued exploration work on the property, and under the terms of the grants it must spend a certain limited amount each year on exploration.

4. Emanuel Rosenblatt, the company founder, president and largest shareholder claims that there is oil under the ground in northern Namibia and Rosenblatt's belief has been the driving force behind Etosha's development.

5. The evidence on which Rosenblatt argues that there is oil in the Etosha grant includes a 1976 survey by a petroleum geologist, a favourable analysis in the prestigious *Oil and Gas Journal*, and a number of other smaller studies that have indicated a strong possibility of oil deposits in northern Namibia. In addition, a number of oil industry sources have independently confirmed that there is a strong possibility of oil in northern Namibia. However, the only way to prove that there is oil in the ground would be through deep drilling that resulted in actual oil strikes. All of the available surveying evidence indicates the strong possibility of oil, but no one can know for sure until oil is actually found.

6. In Etosha's case this presents other problems because the company does not have the resources to do the type of drilling required and must find a partner to provide both the technical expertise and capital to carry out the drilling programme. And drilling for oil in Namibia presents not only the usual risks in petroleum prospecting, but also political risks because of South Africa's illegal occupation of the country. Etosha has

been unable, as of 1982, to find a partner willing to take the political risks involved in conducting drilling operations in Namibia. Certainly the high intensity of SWAPO's armed liberation struggle is a factor in decisions by other companies not to enter into a deal with Etosha.

7. Superior Oil Company almost entered into an arrangement with Etosha in 1981, but for reasons unknown withdrew. The Superior/Etosha deal, however, does not represent a type of operation likely to benefit Namibia. Superior was preparing to quickly drill deep holes to locate the oil, pump as much oil out of the ground as possible before independence, and then pull out of the country. This is essentially the pattern of past Superior operations in other parts of the world and Superior executives, when questioned about possible Namibian operations, cited this as a model it would follow.

8. The type of operation that Etosha was contemplating with Superior, even though it eventually fell through, indicates that Etosha's interests are in making a profit off its Namibian operations and salvaging its otherwise failing parent company.

3. Structure of the corporation

9. Brilund has declared a net loss every year of its existence, except in 1971, when the company received a refund on a 1966 tax assessment and was thus able to declare a net income. The company's balance sheet shows neither gross revenues nor net income because, except for minor interest revenues, the company's operations are all in prospecting and are thus not generating income. The company's payment of "rent" on its land grants in Namibia could be considered taxation and this amounts, as of 1981, to £2,000 per year.

10. Brilund's net loss each year is a result of expenses on office equipment, bookkeeping, small office salaries, and other associated expenses. In addition, the company's subsidiary in Namibia is required to spend £30,000 annually on actual prospecting operations within its Namibian grant. Brilund is unlikely to improve its financial situation unless one of its properties begins operating on a commercial scale and producing revenue. Etosha, Brilund's only active subsidiary, has stated that it needs the technical and financial assistance of other companies to conduct further exploratory drilling in Etosha's oil concession in Namibia. Thus, Brilund's financial situation can improve only if the company can find a partner to help exploit its Namibian property. Brilund has only two non-Namibian subsidiaries, both of which have been dormant for more than seven years; they are (1) The Cuban Canadian Mining and Development Corporation, a wholly owned subsidiary, and (2) Perseverance Mining Corporation in which Brilund holds an 81.5 per cent interest.

4. Economic information

11. The nature of Brilund Ltd involvement in Namibia

is mining and prospecting. Its financial status from 1971 to 1982 is summarized in Table 1.

TABLE 1. FINANCIAL SUMMARY, BRILUND LIMITED
(Millions of US dollars)

Economic data	ICJ advisory opinion 1971	United Nations Decree No 1 1974	1978	1981
Total assets.....	10.568	10.4	8.899	8.66
Net income loss ^a	0.119	(0.189)	(0.046)	(0.371)
Shareholder Equity.....	10.19	9.656	8.596	6.388
Deficit, end of year.....	1.29	1.83	0.098	1.99

Source: Brilund, Form 10-K filings, 1970, 1974, 1980, 1981.

^a Brilunds net loss each year is the sum of expenditures on prospecting.

B. ETOSHA PETROLEUM COMPANY (PTY) LTD, NAMIBIA

1. Basic data and operations

Name of subsidiary: Etosha Petroleum Company (Pty) Ltd.

Note: Brilund has one subsidiary in Namibia, Etosha Petroleum (Pty) Ltd, which in turn has the following wholly owned subsidiaries (Source: Brilund, Form 10-K, 1979): 1. Etosha Minerals (Pty) Ltd, 2. Etopot Minerals (Pty) Ltd, 3. Etosha Oil Well Suppliers (Pty) Ltd, 4. Etosha Oil Rig Haulers (Pty) Ltd, 5. Etosha Kojeka Mining Co. (Pty) Ltd, 6. Etosha Drilling Company (Pty) Ltd.

Address in Namibia: Reyburn, Box 203, Namibia.

Date established: 1959.

Shareholder information: 100 per cent owned by Brilund Ltd.

12. Specific economic information on Etosha Petroleum Company and subsidiaries is difficult to find, there being little more than is incorporated into Brilund's Annual Reports to the U.S. Securities and Exchange Commission. The economic figures for Brilund give above can be said to represent the financial condition of Brilund's subsidiaries in Namibia as Brilund's other two interests (in Canada and Cuba) have not been active for at least seven years.

13. The only specific expenses that Etosha must pay out every year are those stipulated by the prospecting and development grant. An annual rent of £2,000 is required to be paid before the first day of each year and Etosha is required to expend at least £30,000 on actual prospecting operations within the grant area each year.² The Etosha Petroleum Company has been in operation in Namibia since 1959. No economic information, further to that given for Brilund Ltd above is available.

2. Prospecting

(a) Licences granted

14. Etosha is the holder of Prospecting and Mining Grant M4/4/90 granted by the Administrator of the Mandated Territory of South West Africa under date of 3 June 1959, according to Brilund.³ The grant covers an area of somewhere between 260,000 and 310,000

square kilometres and includes the right to prospect and mine for oil and gas in that part of Namibia. The original agreement was amended and confirmed a number of times since 1959, the most important being on 13 October 1960. It is this October 1960 agreement that remains in effect.⁴

15. The boundaries of the grant are as follows:⁵

Western boundary—High Water line of the Atlantic Ocean;

Northern boundary—The present northern border of Namibia;

Eastern boundary—21° E. longitude;

Southern boundary—21° S. latitude.

This is, in simplest terms, all of Namibia north of Kalkfeld, including the Caprivi Strip. But Brilund also reports that the grant excludes “the area starting at a point on the Atlantic coast at the 18th parallel proceeding eastward along the 18th parallel to the 14th parallel then south on the 14th parallel to the Hoanib River, then west along the Hoanib River to the Atlantic coast, then north on the Atlantic coast to the point of beginning”. The grant requires that Etosha pay an annual rent of £2,000 before January of each year. The agreement also requires Etosha to spend at least £30,000 a year on actual prospecting operations within the grant area.

16. The original grant terminates on 20 June 1985, “but may be extended on application of Etosha for an additional 25 years if, at the time of the application, the applicant is producing oil or gas in commercial quantities”. The grant agreement further goes on to stipulate that “Consent to such an extension shall not be unreasonable withheld by the Administrator”.⁶

17. As of 1970, Etosha also held (directly or through subsidiaries), six exclusive prospecting grants for minerals. Four of these, the company reports, were originally granted during 1967 and two additional concession areas were granted during 1969. All of the concession areas are renewable at two-year intervals. Brilund reported in 1970 that all had been renewed at least once and all were in good standing.

18. The six grants were all within Etosha’s main oil concession with the combined area of all six grants covering approximately 610,000 hectares.⁷ The grants allow Etosha “exclusive right to prospect for all minerals with the exception of oil, salt, gypsum, limestone, marble and source material as defined in terms of the Atomic Energy Act of 1967 of the Republic of South Africa”. Rent on these properties in 1970 was a total of R 14,900 (\$21,300) and the grants also required Etosha (or subsidiaries) to spend a minimum of R 61,000 (\$88,100) on prospecting and exploratory work. As of 1970, the six grants were as follows:⁸

(a) M 46/3/155 (Area 2) in Outjo/Okaukuejo districts;

(b) M 46/3/161 (Area 1a) in Outjo/Kopermyn Biermanskoo districts;

(c) M 46/3/162 (Area 2a) in Grootfontein/Olifantsfontein districts;

(d) M 46/3/192 (Extension 2a) in Tsumeb/North West districts;

(e) M 46/3/150 (Area 1) in Tsumeb/North East districts;

(f) M 46/3/193 (Extension 1A) in Grootfontein/Toggenburg districts.

19. As of 1981, Etosha was still holding on to two of these grants and the renewal period for those two was three years. The two grants that Etosha still held title to were M 46/3/193 (Extension 1A) listed above and M 46/3/162 (Area 1a) as listed in Brilund’s 1981 report 10-K. The latter is presumably the same as M 46/3/162 (Area 2a) listed above with the discrepancy simply being an error in Brilund’s 10-K.

20. In addition to these grants, Etosha owns a mineral laboratory in Grootfontein, Namibia. The laboratory “is equipped to analyze soil samples from Etosha’s mineral geological survey, core samples for Etosha’s mineral drilling program, and to evaluate bulk samples”. Etosha also owns mineral exploration field equipment, oil drilling equipment, motor vehicles, road building equipment, two aircraft and other equipment necessary to conduct its exploration programme. The company reported in 1980 that most of this equipment had been shipped to the United States for safekeeping and possible rental, because of uncertainties as a result of the political situation.

(b) *Oil prospecting*

21. Etosha has been involved in a wide variety of basic prospecting activities on its land grants in Namibia since the property was acquired in 1959. Most of the company’s prospecting has been of a basic form, designed to develop a large enough body of information to persuade other companies or investors to participate in exploiting Etosha’s oil and mineral grants.

22. The company reported that by 1970 “Etosha has performed aeromagnetic, gravimetric, photogeologic, geochemical and seismic surveys as well as field geology and laboratory analyses of core and outcrop samples over a portion of its concession area”. In 1970 the company did some exploratory drilling in three wells the results of which “revealed 11 closed potential oil structures ranging in size from approximately 30,000 to 125,000 acres (12,000-50,000 hectares) each”. Over the years the company has conducted a number of basic evaluation programmes for the oil concessions and the best description of these programmes appears in a 5 April 1982 article in *Oil and Gas Journal*, entitled “The Etosha Basin Reexamined”. Although the company is required by the conditions of the concession to expend a certain amount of money on exploration and development each year, it is unclear exactly what type of work Etosha is conducting on its oil concession to meet the requirements of its grant.

23. According to a number of experts in the petroleum industry, Etosha has done much of the basic exploration work on its oil concession. Final proof that oil is in fact under the ground in northern Namibia, however, can only be obtained by actual deep drilling

on the property. Etosha, as of 1981, did not have the financial resources to carry out this drilling and was attempting (through Brilund) to solicit other partners for further exploration.

24. Whether oil does in fact exist in northern Namibia will have to await the results of actual drilling. A number of experts feel, however, that there is a good prospect for oil in northern Namibia. James A. Momper, the author of the article in *Oil and Gas Journal*, concludes his article by saying "All of the essentials for commercial accumulations of oil and gas appear to be present to some degree". Although perforce equivocal, the article is positive and the author seems to be convinced that earlier pessimistic evaluations of the Etosha basin are not based on a complete evaluation of the available information. A survey carried out for Etosha in 1976 by petroleum consultant J.D. Moody, also concluded that "there is a modest chance of finding oil in the Etosha Basin" and that "exploratory drilling should be done".⁹

25. Other oil industry analysts who have examined Etosha's drilling logs and other records in detail note that, while only further drilling will provide proof, "there is at least as good a chance that there is oil in the Etosha plain as there was when we began drilling in some of our operating wells today". If economic factors were all that had to be considered, these sources maintain that drilling would have started long ago. The political situation in Namibia has prevented the drilling.

26. What Etosha and Brilund have tried to do in the past is interest other companies in the Namibian property. On 11 February 1980, Etosha Petroleum Pty Limited entered into a letter of intent with the Superior Oil Company which contemplated Superior acting as operator for a contract area consisting of a portion of Etosha's oil and gas concession in Namibia. The proposed contract required Superior to carry out test drilling operations and then, if favourable results were obtained, bring the property into production.¹⁰ Superior, in fact, did just this type of operation in the Israeli occupied Sinai desert before it was returned to Egypt in the late 1970s. A Superior spokesman interviewed by IRRC researchers said that Superior's willingness to start such a project depends on whether the company "can develop the resources, make a reasonable profit and get our investment out if we have to".¹¹ The company went on to tell IRRC researchers that "we try to look at all the factors that may have an impact on the operation. We have to look at the political climate (in the host country) and the relationship that country enjoys with the rest of the world." In its analysis of Superior, IRRC went on to report that company spokesmen felt confident that "the situation in Namibia... is secure enough to permit the company to invest there if the opportunity arises". Nonetheless, both Brilund and Superior reported in early 1982 that the deal would not be concluded because the parties had not been able to agree on a final contract.

27. Etosha and Brilund continue to look for other partners in their exploitation of the petroleum conces-

sion in northern Namibia. As of early 1982, no information was available about other contracts Etosha may be trying to arrange. Brilund did report, however, that it is "presently engaged in discussions with other companies with a view to obtaining their technical and financial participation in" drilling operations in Namibia.¹²

(c) Minerals prospecting

28. In addition to the major petroleum concession, Etosha and its subsidiaries still held in 1981 two mineral grants in northern Namibia (for details see above). In 1970 the company had a total of six grants, four of which were subsequently released. Mineral exploration in the late 1960s was carried out primarily with the use of diamond drills to obtain samples for further analysis. The company also had some minor underground exploration going on and evaluated bulk samples taken from surface levels.

29. As with oil prospecting, Etosha does not have the necessary resources to carry out extensive prospecting alone. On 16 September 1970, Etosha entered into an agreement with Eland Exploration (Pty) Ltd of S.W.A., a wholly owned subsidiary of Cominco Limited of Canada for the exploration and development of two of Etosha's minerals concessions, Area 1 and a part of Extension 1A.¹³

30. The agreement with Eland required the company to spend at least \$45,000 on exploration and development in the first year, \$70,000 during the second year, and \$105,000 during the third year. Once about \$1 million had been spent, any further expenses would be shared two-thirds by Eland and one-third by Etosha. The agreement also stipulated that if commercial quantities of mineralized ore were discovered, a new company would be formed which would apply for a mining grant covering the area. Etosha would be entitled to one-third of the equity in the new company and Eland to two-thirds. If a second commercial-grade mineralized area was found, yet another company would be formed, this time with Etosha being entitled to two-thirds of the equity and Eland to one-third.¹⁴ Cominco's subsidiary carried out geological and geochemical reconnaissance for base metal deposits but did not find any of commercial grade.

31. Etosha's remaining mineral concessions, as of 1981, are Extension 1A and Area 1a which were renewed for three-year periods in January 1979 and August 1979 respectively. These mineral concessions cover an area of approximately 340,000 hectares. Although no specific information on these concessions is available, "Etosha (or subsidiaries) are required to pay an annual rental amounting in the aggregate to R 3,400 or approximately \$4,542 and are required to spend a minimum of R 20,000 or approximately \$26,720 on prospecting and exploratory work in the concession".¹⁵ Given the requirements for prospecting and exploratory work, it can be assumed that Etosha is still prospecting in Namibia, albeit on a small level.

3. *Employment information*

32. No specific information is available about Etosha Petroleum Company's labour relations. Based on the amount of work done and the level of expenditure, it seems unlikely that Etosha has more than 20 or 30 employees. Clearly, when drilling work is being done wildcat crews must be brought in from other countries to conduct these operations, but still the number of employees involved is small. No information is available on wages, housing conditions, strikes or other employee relations.

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- 7-8. Brilund, *Form 10-K*, 1970.
9. Referred to in *Journal of Commerce*, 19 June 1980.
10. Brilund, *Form 10-Q*, September 1981.
11. IRRRC, *1981 Analysis X*, 29 April 1981, page X-7.
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II. COMINCO LIMITED

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A. PARENT CORPORATION, CANADA

1. Background

<i>Name of parent:</i>	Cominco Limited.
<i>Namibian subsidiary:</i>	Eland Exploration (Pty) Ltd. ¹
<i>Registered office:</i>	200 Granville Street, Vancouver, B.C. V6C 2R2, Canada.
<i>Telephone number:</i>	(604) 682-0611.
<i>Date incorporated:</i>	6 January 1906.
<i>Bankers:</i>	1. Bank of Montreal Trust Co., and 2. The Royal Trust Co.
<i>Rank by assets in field of operation:</i>	World's largest producers of lead and zinc. ²
<i>Total number of employees:</i>	12,300 in 1981.
<i>Total number of shareholders:</i>	26,638.
<i>Shareholder information:</i>	Canadian Pacific Enterprises Ltd owns 54.4 per cent of Cominco's stock. Canadian Pacific Enterprises is in turn 70.7 per cent owned by Canadian Pacific Limited.

2. Operations

1. Cominco's involvement in Namibia has focussed on exploration for base minerals through the activities of Eland Exploration (Pty) Ltd. Eland first became involved in Namibia in about 1969 and was involved with Brilund Ltd in exploration for base metals in the early 1970s. Eland is a member of the Chamber of Mines of South West Africa and as of 1981 Cominco reports that exploration efforts in South Africa are continuing (Cominco appears to lump activity in Namibia and South Africa under the general heading of South Africa). Cominco is a subsidiary of Canadian Pacific Limited, a company that was ranked first by sales of all

Canadian companies in 1981. Cominco itself is the Western world's largest producer of lead and zinc.

2. The company's operations focus almost entirely on mineral extraction and processing with integrated metal operations accounting for over 60 per cent of sales in 1981. Cominco is also involved in fertilizer and chemical sales. The company does not provide more detailed information about its Namibian operations although it is important to note that operations appear to have begun well after the United Nations revoked South Africa's mandate. Further information on Cominco's interests in Namibia is given in Chapter I, Brilund Limited.

3. Structure of the corporation

3. Cominco is an integrated natural resource company (Table 1), principally involved in mineral exploration, mining, smelting and refining. The company is a producer of zinc, lead and smelters of by-products such as silver and gold. Cominco also produces a wide variety of other base metals, chemicals and fertilizers.

4. The company's earnings (Table 2) are closely tied to the prices of the base metals it produces, as is evidenced by the ups and downs in company net income throughout the 1970s. While Cominco's gross revenues have grown steadily throughout the 1970s, the company's net income has fluctuated widely depending on the prices its base metals products were selling for on world markets, as table 2 indicates. In 1981 company net income was down substantially from 1980, mainly as a result of reduced silver, lead and gold prices.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, COMINCO LTD

<i>Subsidiary</i>	<i>Percentage owned by parent</i>
Bethlehem Copper Corporation	—
Fording Coal.....	40 ^a
Valley Copper Mines	—
Aberfoyle Ltd	47.1
Pine Point Mines Limited.....	69
Eland Exploration.....	—
Cominco American	—
Vestgron Mines.....	63
West Kootenay Power and Light.....	—

^a Other 60 per cent owned by Canadian Pacific Enterprises; a loss of \$C 2.2 million was recently reported.

4. Economic information

5. The nature of Cominco Ltd involvement in Namibia is prospecting.

TABLE 2. FINANCIAL SUMMARY, COMINCO LTD
(Millions of Canadian dollars)

<i>Economic data</i>	<i>Termination of mandate 1966</i>	<i>ICJ advisory opinion 1971</i>	<i>United Nations Decree No.1 1974</i>	<i>1978</i>	<i>1981</i>
Total assets.....	356	—	—	933.4	—
Gross revenues	224.6	252	782	901	1 464
Taxes (foreign).....	14.6	—	—	—	—
Net income after taxes	49	12.3	86.3	67.4	64.7
Shareholder equity.....	267	—	—	564	—
Long-term debt.....	14.4	—	—	235	—

Source: Cominco, *Annual Reports*, 1978, 1979, 1980, 1981.

B. ELAND EXPLORATION (PTY) LTD, NAMIBIA

Name of subsidiary: Eland Exploration (Pty) Ltd.
Address in Namibia: P.O. Box 61299, Marshalltown 2107.
Telephone number: 21-2117.
Date established: The first reference to exploration in Namibia occurs in Cominco's 1969 Annual Report.
Shareholder information: 100 per cent owned by Cominco.

6. Eland Exploration (Pty) Ltd is Cominco's only subsidiary in Namibia. Eland is a member of the Chamber of Mines of South West Africa/Namibia and is listed as operating out of Marshalltown. Little financial information is available about the subsidiary and all company references to Eland in the last six years (1977-1982) appear to group all operations in either South Africa or Namibia as operations in South Africa. No financial data is available about the company, although Cominco's 1980 Annual Report did note that "small-scale alluvial diamond production" was begun that year in South Africa.

7. The first reference to operations in Namibia appears in Cominco's 1969 Annual Report which notes that "Although search for new ore bodies continues to be centered in Canada, significant programmes were

also undertaken in... and Southwest Africa." The company was active in Namibia in that period and Brilund Ltd reported in 1970 that its subsidiary, Etosha Petroleum, had entered into an agreement with Eland Exploration (Pty) Ltd of S.W.A. for the development of two of Etosha's mineral concessions in Namibia.³ According to Brilund, Eland carried out geological and geochemical reconnaissance for base metal deposits but did not find any of commercial quality.

8. In addition to the diamond production, Cominco reports further exploration in "South Africa" in 1981, a statement which can be taken to include further activity in Namibia, especially given that Eland has retained its membership in the Chamber of Mines of South West Africa/Namibia as of 1981.

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NOTE: For full citation to sources here shortened or abbreviated, see over-all volume bibliography.

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2. Cominco, *Annual Report*, 1980.
3. See Brilund Ltd entry.

III. FALCONBRIDGE LIMITED

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A. PARENT CORPORATION, CANADA

1. Background

<i>Name of parent:</i>	Falconbridge Limited.
<i>Namibian subsidiary:</i>	Falconbridge of South West Africa (Pty) Ltd.
<i>Registered office:</i>	P.O. Box 40, Commerce Court West, Toronto, Ontario M5L 1B4, Canada.
<i>Telephone number:</i>	(416) 863-7000.
<i>Bankers:</i>	1. Crown Trust Company, Toronto, and 2. Registrar and Transfer Company, New York. ¹
<i>Rank by assets in field of operations:</i>	Second largest nickel company in the world. ²
<i>Total number of employees:</i>	15,051. ³
<i>Total number of shareholders:</i>	5,542. ⁴
<i>Shareholder information:</i>	Superior Oil Company, Houston, Texas, controls over 46 per cent of Falconbridge's stock. ⁵ McIntyre Mines Limited, Canada, beneficially owns about 37 per cent of Falconbridge and Canadian Superior Oil Company, Canada, beneficially owns about 5.4 per cent of Falconbridge.

2. Operations

1. Falconbridge Limited first became involved in Namibia in 1971, with the opening of Oamites copper mine, a mine operated by Oamites Mining Company (Pty) Ltd. Until December 1982, Falconbridge held a

74.9 per cent share in Oamites mining, with the remaining shares held by the South African Government's Industrial Development Corporation. On 15 December 1982, Falconbridge completed the sale of its 74.9 per cent interest in Oamites to the Johannesburg-based Metorex Corporation.⁶

2. During Falconbridge's period of ownership, over 5.6 million tons of ore was mined, producing over \$124 million in gross metal sales.⁷ As with other mining operations in Namibia, the bulk of Oamites profits were transferred out of Namibia immediately in the form of dividends to Falconbridge and the other major shareholder, the South African Government's Industrial Development Corporation. It should be noted that Oamites was established in Namibia in 1971, well after the United Nations revoked South Africa's mandate to rule the territory.

3. Falconbridge also conducted exploration activities in Namibia through its wholly owned subsidiary, Falconbridge of South West Africa (Pty) Ltd until late 1982. Although this subsidiary is still incorporated in Namibia, the Company's exploration office in Windhoek was closed in 1982.⁸

3. Structure of the corporation

4. Falconbridge Ltd is primarily a miner of nickel and copper (Table 1), and as such the company's economic health is closely tied to the world prices of these metals. Company income in 1979 was \$100.6 million, but began to decline in 1981 and the company

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, FALCONBRIDGE LTD

Subsidiary	Percentage owned by parent
Integrated Nickel Operations	100
Falconbridge Nikkelverk Aktieselskap.....	100
Wesfrob Mining Division	100
Corporation Falconbridge Copper	50.2 (lost Can.\$ 122,000 in 1981)
Falconbridge Dominicana, C. por A.	65.7 (lost Can.\$ 28 million 1981)
Blanket Mine (Private) Limited ...	— (Can.\$ 4.5 million earnings 1981)
Western Platinum Limited.....	25 (Can.\$ 20.5 million earnings 1981)
Falconbridge Explorations Limited (Bermuda).....	100
Falconbridge Explorations Ltd (S.A.).....	100
Falconbridge Explorations (Zaire) Limited	—

declared a loss in 1982 of (Canadian) \$3.9 million (Table 2) before the company's \$5.1 million share of the loss attributable to write-off of the Venus mine project.

5. The company's future is not financially solid because of its heavy dependence on nickel and copper prices, and earnings and dividends have been highly volatile. The company severely cut back exploration and development expenditures and in January 1982,

Falconbridge temporarily closed down its Falconbridge Dominicana, C. por A., a subsidiary ferronickel operation in the Dominican Republic.

4. Economic information

6. The Falconbridge Corporation involvement in Namibia is currently dormant.

TABLE 2. FINANCIAL SUMMARY, FALCONBRIDGE LTD
(Millions of Canadian dollars)

Economic data	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981	1982
Total assets.....	—	754	868	1 253	1 078
Gross revenues	—	443	508	713	483
Income before taxes ^a	—	—	25.9	(11.3)	—
Taxes					
Foreign	—	—	17.8	4.4	—
Domestic	—	—	(5.2)	(2.2)	36
Net income after taxes	17.2	32	5.8	(3.9)	(85)
Shareholder equity.....	290	315	386	490	404
Long-term debt.....	293	275	295	465	468

Source: Falconbridge, *Annual Reports*, 1978-1982.

^a Net pre-taxation income does not include some forms of corporate dividend income and income from currency transactions.

B. FALCONBRIDGE OF SOUTH WEST AFRICA (PTY) LTD, NAMIBIA

1. Basic data and operations

Name of subsidiary:	Falconbridge of South West Africa (Pty) Ltd. (Until 15 December 1982, Falconbridge held a 74.9 per cent share of Oamites Mining Company, operator of the Oamites mines.)
Address in Namibia:	Falconbridge SWA, 4 Schinz Street/Box 3848, Windhoek.
Telephone number:	37870.
Date established:	1971.
Shareholder information: ⁹	Falconbridge of SWA is 100 per cent owned by Falconbridge Explorations (South Africa) which in turn is wholly owned by Falconbridge Exploration Ltd (Bermuda), a company that is wholly owned by Falconbridge Limited (Canada).

7. Falconbridge's primary involvement in Namibia has been through Oamites Mining Company, which Falconbridge sold in December 1982. Oamites Mining Company (Pty) Ltd was incorporated in 1971 and is the second largest copper producer in Namibia. In addition to the mine, which began operation in June 1971, the company operated a mill with a daily capacity of 1,200 tons. Although the company's mine was relatively small, net income from the mine was substantial in the period 1971 to 1975, although since 1975 profits have been smaller. Part of the reduction in profits is attributable to declining world copper prices, but the company also reported that production of copper fell because of declining ore grades.

8. Oamites spent R 2 million in drilling operations to develop a copper/zinc sulphide deposit near Okahandja, but the development was suspended in 1974. The company also brought a copper ore body at Swartmodder into production in October 1980, but operations were suspended at that mine in March 1981 because of declining copper prices and mining difficulties.

9. The main Oamites mine appears to be coming to an end of its profitable life, although the company did report 2,027 million tons of 1.13 per cent copper ore in 1981.¹⁰ Part of the reason the Falconbridge's sale of the Oamites mine to Metorex Corporation of South Africa¹¹ at a loss of \$2.3 million¹² may have been the declining profitability of the mine.

10. Falconbridge of South West Africa is now also a dormant corporation after Falconbridge Limited reported the closing of the company's exploration office in 1982. Between 1972 and 1982 Falconbridge of South West Africa conducted prospecting activities for copper and other base metals. The company also began looking for uranium deposits in 1976.

2. Economic information

11. The data given in Table 3 is for Falconbridge's Oamites subsidiary, which began operations in 1971 and was sold in 1982.

3. Prospecting

12. Falconbridge of South West Africa (Pty) Ltd conducted all of Falconbridge's prospecting activities in

TABLE 3. FINANCIAL SUMMARY, FALCONBRIDGE OF SOUTH WEST AFRICA (PTY) LTD
(Millions of Canadian dollars)

Economic data	ICJ advisory opinion 1973	United Nations Decree No. 1 1974	1978	1981
Gross revenues.....	13.6	13.7	13.4	13.6
Net income after taxes.....	3.2	1.9	.62	(.91)

Source: Falconbridge, *Annual Reports*, 1978-1981.

Namibia until exploration offices in Namibia were closed in 1982. The company prospected for copper and zinc deposits between 1971 and 1982 and for uranium deposits at least since 1976.¹³

13. Falconbridge's Annual Report for 1981 states that "Exploration projects in southern Africa are conducted under the terms of a joint venture agreement with the Superior Oil Company. Falconbridge manages the exploration programmes and has a 50 per cent interest in the operations."¹⁴ This statement would seem to conflict with Superior's contention that they "have no operations in Namibia", although of course Superior does control Falconbridge and as such has responsibility for Falconbridge's operations in Namibia. Although Falconbridge conducted joint exploration in the rest of southern Africa with its parent corporation, it appears from other available company and secondary sources that Falconbridge operated exploration in Namibia on its own. Few details of prospecting activities are known but Falconbridge conducted much of its base metal exploration work in the Rehoboth area.

4. Production and sales

14. The Oamites mine began operations in June 1971 and has been producing copper and silver since March 1972. Production and recoverable copper produced from milling is given in Table 4.

TABLE 4. COPPER PRODUCTION, OAMITES MINE, 1972-1981

	1981	1980	1979	1978	1977
Ore milled (thousand metric tons)	530	628	522	558	562
Recoverable Copper (million kg.)	4.8	5.9	6.2	6.9	6.9
	1976	1975	1974	1973	1972
Ore milled (thousand metric tons) ..	545	515	560	504	320
Recoverable Copper (million kg.) ..	6.4	6.9	6.4	7.1	4.6

Source: Falconbridge, *Annual Reports*, 1978-1981.

15. In 10 years of operation, (1972-1981) Oamites mined nearly 5.3 million metric tons of ore to produce over \$124 million in gross revenues. The company acknowledges that the mine is being depleted and the copper content of ore has gone from 1.33 to 1.13 per cent. Clearly there are other problems, including inaccessibility of the ore body and general economic condi-

tions in Namibia (including inflation) that have led to the mines decreasing profitability.

16. Until the sale of Oamites in 1982, Falconbridge was responsible for marketing the copper produced at Oamites through its European subsidiary, Falconbridge Europe, S.A.

5. Employment information

17. No data is available on employees of Falconbridge of South West Africa Ltd; the following is for Oamites Mining Company, in which Falconbridge held a 74.9 per cent interest until December 1982. In 1981, Oamites had 500 employees¹⁵; in 1979 the total was 455 workers of which 55 were whites, 100 coloureds and 300 Africans.¹⁶

18. The basic wage scales in effect in 1979 were:

Africans: \$112 cash a month lowest; \$322 cash a month highest.

Coloured: \$308 a month lowest; \$581 a month highest. Africans filled the seven lowest job grades with the lowest receiving \$112-\$126 a month and the highest grade receiving \$266-\$322 cash a month. Underground miners could also receive a bonus which might add between 25 and 30 per cent to the basic pay. Africans were employed as migrant labour with dormitory housing, communal toilets and washing facilities, and food and medical treatment provided free.

19. Coloured workers were all in the four middle wage grades, except for 12 who occupied jobs previously held by whites. The lowest-paid coloured workers received \$308-\$364 a month and the highest received \$476-\$581 a month, with the possibility of an attendance bonus of \$35. Coloured employees lived with their families in small, company built housing and education for their children was provided free. White workers and their families had the option of living at the mine in rent-free houses. Their children received free education in a private boarding school in Windhoek.

20. Falconbridge held that the mine depended largely on migrant workers with little skills, training or work discipline¹⁷ and claimed that the migrant workers' lack of education, combined with their primitive agricultural backgrounds, led to low productivity per worker. According to Falconbridge wages paid at Oamites were among the highest in Namibia and racial barriers and job reservations had been removed. More detailed information on wages is difficult to come by, and Falconbridge has refused repeated stockholder attempts to obtain such information.

21. Oamites continues to employ mostly migrant labour thus enforcing a system which separates workers from their families and forces them to live in small, crowded migrant-worker compound housing. Although wages are better at Oamites than at Tsumeb Corporation's mines, employment conditions still enforce the basics of the *apartheid* system: living quarters are segregated along racial lines, black workers are paid lower wages than whites, and black workers are forced to live separate from their families.

22. Other details about employment conditions are extremely difficult to obtain. One indication that working conditions are probably poor, however, is workers' protests such as strikes, the most recent of which at Oamites was in late 1981. In addition, as of 1981, the managers of Oamites still felt it was necessary to provide separate facilities for whites and blacks. The health clinic at Oamites is reported to have two entrances, one for whites and "Coloured" workers, the other for Africans.¹⁸

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IV. HUDSON'S BAY COMPANY

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A. PARENT CORPORATION, CANADA

1. Background

<i>Name of parent:</i>	Hudson's Bay Company.
<i>Namibian subsidiary:</i>	Hudson's Bay and Annings (SWA) Pty Ltd. ¹
<i>Registered office:</i>	Hudson's Bay House, 77 Main Street, Winnipeg, Manitoba, R3C 2R1, Canada.
<i>Telephone number:</i>	(204) 943-0881.
<i>Date incorporated:</i>	In Canada 29 May 1970. Originally incorporated under Royal Charter in England, 2 May 1670.
<i>Bankers:</i>	1. The Royal Bank of Canada, and 2. The Toronto-Dominion Bank.
<i>Total number of employees:</i>	43,000.
<i>Total number of shareholders:</i>	20,800 as of 1980.
<i>Shareholder information:</i>	On 1 May 1979 the Woodbridge Company, a wholly owned subsidiary of the Thomson family's Thomson Corporation, acquired almost 75 per cent of the Hudson's Bay Company. The Thomson family bought 17,319,150 shares at 37 Canadian dollars a share. ²

2. Operations

1. Hudson's Bay Company is involved in Namibia through Hudson's Bay and Annings (SWA) Pty Ltd, a wholly owned subsidiary of Hudson's Bay and Annings Limited in London which in turn is 59 per cent owned by Hudson's Bay Company. The company is not involved in investing in Namibia directly, but rather in supporting the Namibian karakul industry. Karakul, marketed in North America as Swakara, is the fur from lambs grown primarily in Namibia, South Africa, Afghanistan and the Soviet Union. Hudson's Bay has been involved in marketing Namibian karakul furs since

the early 1930s and the company has played a key role in introducing such furs to Western markets.

2. Karakul exports from Namibia in 1980 were valued at about R 45 million, but data on what percentage of this gross sales figure represents sales to Hudson's Bay Company's auction house in London are unavailable. Hudson's Bay Company is controlled by the Thomson family of Canada, which owns nearly 75 per cent of the company's stock. Hudson's Bay itself is an enormous company controlling over half the large department chain store sales in Canada and holding numerous other interests in oil, gas and real estate. The Thomson family controls, in addition to Hudson's Bay, substantial interests in dozens of newspapers in the United States and Canada as well as a variety of other interests.

3. Sales of karakul furs in 1982 were depressed because of low demand and a perception that karakul is "not in style". Nonetheless Hudson's Bay Company's support of the karakul industry has helped maintain the economic power of white farmers in Namibia.

3. Structure of the corporation

4. Hudson's Bay is involved in retail merchandising, oil and gas development and real estate (Table 1). The company owns approximately 600 stores in three retail groups, the Bay, Simpsons and Zellers. The company also invests in energy-related business and owns real estate through its 99.9 per cent owned Markborough Properties Limited. In addition to selling furs, the

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, HUDSON'S BAY COMPANY

Subsidiary	Percentage owned by parent	Total assets (Millions of Canadian dollars)
Hudson's Bay Annings Ltd..	59.0	
		Total fur sales 491.5
Hudson's Bay Company Fur Sales Inc	—	
Marlborough Properties Limited	99.9	70.5
Simpsons Limited	85.5	768
Zeller's Limited	—	885
Hudson's Bay Oil and Gas Company Ltd.....	16.1	—
Eaton/Bay Financial Services	38.7	—
Roxy Petroleum Limited	60	—
Simpsons-Sears Limited.....	35.6	—
Dome Petroleum Limited.....	\$123,316,000 preferred shares	—

company's Hudson's Bay and Annings Ltd subsidiary in London runs a fur auction.³

5. Earnings for the year ending January 1982 declined 93 per cent despite a nine per cent gain in gross revenues to \$4,172 million. Management cited an 80 per cent increase in interest cost and subsequent declines in retail earnings for the sharp drop in net income.

Hudson's Bay's earnings have been reduced substantially in the past two years (Table 2).

4. Economic information

6. The nature of Hudson's Bay Company involvement in Namibia is the marketing and distribution of furs.

TABLE 2. FINANCIAL SUMMARY, HUDSON'S BAY COMPANY
(Millions of Canadian dollars)

Economic data	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981	1982
Total assets.....	—	—	1 175	3 895	3 953
Gross revenues.....	571	1 018	1 896	4 172	4 139
Income before taxes ^a	23	35	80.3	—	—
Taxes.....	9.8	15.5	29.8	57	8
Net income after taxes.....	14	18.4	143	386	(128)
Shareholder equity.....	187	222	732	1 207	1 049
Long-term debt.....	—	—	792	1 258	1 325

Source: Hudson's Bay, *Annual Reports*, 1979-1982.

^a Income before taxes does not include some forms of dividend and currency transaction income.

B. HUDSON'S BAY AND ANNINGS (SWA) (PTY) LTD, NAMIBIA

Name of subsidiary: Hudson's Bay and Annings (SWA) (Pty) Ltd.
Address in Namibia: Bessemer Street, Windhoek.
Telephone number: 38296.
Date established: Hudson's Bay began auctioning Namibian furs in London in 1936.⁴
Shareholder information: Hudson Bay and Annings (SWA) Pty Ltd, is a wholly owned subsidiary of Hudson's Bay and Annings Limited of London. The British company is 59 per cent owned by Hudson's Bay Company.⁵

7. Hudson's Bay Company first became involved in the karakul business in Namibia some time between 1932 and 1936. In 1936 the company's London house started regular auctions of Namibian karakul pelts.⁶ Hudson's Bay and Annings (SWA) Pty Ltd was later formed as a wholly owned subsidiary of Hudson's Bay and Annings Limited of London. Hudson's Bay and Annings (SWA) collects the furs in Namibia and then hands them over to the London office for auction. Hudson's Bay Company holds a 59 per cent interest in the London company and thus, presumably gets a 59 per cent share of any profits from karakul sales in London.

8. A drought which began in 1977 in southern Namibia, where karakul sheep are reared, has led to widespread slaughtering of the karakul herds. Karakul prices on international markets have also dropped by more than half. In 1980, there were 3,006,817 karakul pelts exported from Namibia according to the Karakul Board of South West Africa. The figure is higher than the 2.6 million exported in 1977 but lower than peak exports of over 3.5 million in 1969. Because of higher prices in 1976, although the volume of karakul furs exported that year was low, the exports earned over R 50

million. The price of karakul furs since that time has tumbled to a low at year end 1980 of R 14.23 per pelt.

9. In 1980 the 3 million karakul pelts exported were valued at about R 45 million, a slight decrease because of lower auction prices. Agriculture and fishing accounted for a total of R 128 million in 1980 and thus karakul pelts were about 35 per cent of agricultural production.⁷ In 1946 karakul pelt exports represented over 50 per cent by value of Namibia's exports, the figure for 1980 is closer to 4.1 per cent (calculated on merchandise exports of R 1,022 million).

10. The black Namibians employed on farms are among the worst paid people in the whole territory. In 1976 the white farmers organization revealed that the starting wage for black farm labourers was R 12.50 a month, rising to R 13.50 after one month.⁸ A minimum wage of R 15 cash a month plus free housing, food rations and medical services was paid after 18 months service.⁹ Some farm workers do not receive even this wage and one worker reported receiving R 5 a month.¹⁰

11. Although details on Hudson's Bay Company's (and subsidiaries) involvement in karakul pelt sales are difficult to obtain, it is clear that the company has been a supporter of this system for many years. Karakul farming is carried out by individual farmers in Namibia and Hudson's Bay Company's involvement comes only at the marketing stage.

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V. MOBIL CORPORATION

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A. PARENT CORPORATION, UNITED STATES

1. Background

<i>Name of parent:</i>	Mobil Corporation.
<i>Namibian subsidiary:</i>	Mobil Oil SWA (Pty) Ltd. ¹
<i>Registered office:</i>	150 East 42nd Street, New York, New York 10017, United States.
<i>Telephone number:</i>	(212) 883-4242.
<i>Banker:</i>	Chase Manhattan Bank, New York.
<i>Rank by assets in field of operation:</i>	Fourth largest company in the world.
<i>Total number of employees:</i>	188,000. ²
<i>Total number of shareholders:</i>	286,600. ³

2. Operations

1. Mobil Corporation is involved in distributing petroleum products in Namibia through its wholly owned subsidiary Mobil Oil SWA (Pty) Ltd. Mobil depots are located throughout the country at places such as Tsumeb, Lüderitz, Windhoek, Walvis Bay and Grootfontein.⁴

2. Little additional information on Mobil's operations in Namibia is available, but the parent corporation has received a number of requests from shareholders asking the corporation to stop selling oil to the South African police and military. Mobil's response to one such request in 1981 is illustrative of the company's general attitude:

"Mobil's management in New York believes that its South African subsidiaries' sales to the police and military are but a small part of its total sales.... Total denial of supplies to the police and military forces as a host country is hardly consistent with an image of good citizenship in that country. The great bulk of the work of both police and the military forces in every country, including South Africa, is for the benefit of all its inhabitants."⁵

3. Structure of the corporation

3. The Mobil Corporation is the fourth largest company in the world and through its two principal subsidiaries, Mobil Oil and Mobil Diversified Businesses, the Corporation operates oil and gas related activities, chemical production plants, paperboard packaging, printing, retailing and alternative energy interest. Well over 80 per cent of the company's revenues (Table 1) were from Mobil's petroleum operations, which are largely concentrated outside of the United States. The major non-Namibian subsidiaries of the Mobil Corporation, all wholly owned, are:

- (a) Mobil Oil Corporation;
- (b) Montgomery Ward;
- (c) Container Corporation of America;
- (d) Mobil Oil Corporation (South Africa).

4. Economic information

4. The nature of involvement in Namibia is the distribution of petroleum supplies.

TABLE 1. FINANCIAL SUMMARY, MOBIL CORPORATION
(Millions of US dollars)

Economic data	1978	1981	1982
Total assets	22 800	34 776	36 439
Gross revenues	37 423	68 587	64 137
Taxes	1 613	11 700	10 270
Net income after taxes	1 131	2 433	1 380
Shareholder equity	9 037	14 657	14 742
Long-term debt	3 047	3 284	4 404

B. MOBIL OIL SWA (PTY) LTD, NAMIBIA

<i>Name of subsidiary:</i>	Mobil Oil SWA (Pty) Ltd.
<i>Address in Namibia:</i>	Metje and Behnsn Bld., Box 201, Windhoek.
<i>Telephone number:</i>	33041.
<i>Shareholder information:</i>	100 per cent owned by Mobil Oil Corporation.

5. Little information (e.g., date established or bankers) is available on the operations of Mobil Oil SWA (Pty) Ltd. Mobil depots are located throughout the country at places such as Tsumeb, Lüderitz, Windhoek, Walvis Bay, and Grootfontein.⁶ The number of depots and their geographic spread suggest the corporation plays an important role in providing petroleum supplies to the Namibian economy.

6. Given the parent corporation's stated willingness to supply petroleum to the South African police and military in South Africa,⁷ it seems likely that similar

supplies are provided to the military and police operating in Namibia by Mobil's Namibian subsidiary.

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VI. NEWMONT MINING CORPORATION

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A. PARENT CORPORATION, UNITED STATES

1. *Background*

<i>Name of parent:</i>	Newmont Mining Corporation.
<i>Namibian subsidiaries:</i>	(a) Tsumeb Corporation Limited, (b) Newmont Holding Company of SWA (Pty) Ltd.
<i>Registered office:</i>	300 Park Ave., New York, New York 10022, United States.
<i>Telephone number:</i>	(212) 980-1111.
<i>Date incorporated:</i>	2 May 1921.
<i>Location other than registered office:</i>	Delaware, United States.
<i>Bankers:</i>	1. Chase Manhattan Bank, New York, and 2. Morgan Guaranty Trust Company, N.Y.
<i>Rank by assets in field of operation:</i>	Fourth largest U.S. copper producer, seventh largest worldwide (1981).
<i>Total number of employees:</i>	9,900 in 1982. ¹
<i>Total number of shareholders:</i>	12,896 holders of common stocks as of March 1983. ²
<i>Shareholder information:</i>	Consolidated Gold Fields Public Ltd (U.K.), an indirect associate of the Anglo American Corp. of South Africa, owns 25.1 per cent of Newmont's common stock (7,500,000 shares at \$1.60 par value). Newmont and Consolidated Gold Fields PLC have reached an agreement whereby the latter has agreed not to acquire more than 26 per cent of Newmont's voting stock. The agreement can be cancelled each year-end beginning 31 December 1974, on one month's notice. Consolidated Gold Fields PLC is the ultimate parent of

Amcon Group, Inc., the owner of record of the Newmont shares.

In 1978, the United Church of Christ Board for Homeland Ministries held 9,000 shares of Newmont stock, and the Lutheran Theological Seminary held 1,000 shares.³

Newmont reported at year-end 1982, that Consolidated Gold Fields PLC was the only "person or group" that held more than 5 per cent of any class of Newmont's voting securities.⁴

2. *Operations*

1. Newmont Mining Corporation's involvement in Namibia began in January 1947 when a consortium led by Newmont-controlled companies purchased the assets and mining rights of a German owned company that was taken over during the Second World War. As of 1982, Newmont owned, directly and through subsidiaries, 35.9 per cent of Tsumeb Corporation Limited, the largest base-metal mining company in Namibia. Newmont is the second largest investor in Tsumeb Corporation Limited, after Consolidated Gold Fields which owns 42.3 per cent of Tsumeb Corporation.

2. Since the United Nations revocation of South Africa's mandate over Namibia, Newmont has continued to expand its operations in the occupied territory through Tsumeb. In 1970, the company opened the Matchless mine, in 1974 the Asis Ost mine and in 1978 the Asis West mine. Most recently, Tsumeb acquired a 70 per cent interest in the Otjihase mine, and, in March 1982, brought it up to full production. Despite repeated international judgements to the effect that South Africa is illegally occupying the territory, Newmont has continued to operate and in fact expand its investment in Namibia. And Newmont's involvement has not simply been through its interest in Tsumeb, the company was also manager of the Tsumeb Corporation until 1978.

3. When Newmont first became involved in Namibia, the American company was a relatively small copper mining company. Today, Newmont is the fourth largest copper producer in the United States, owns 27.5 per cent of the largest coal producer in the United States, Peabody Coal Company, and is the seventh largest copper producer worldwide. In the 1970s Newmont began to diversify its holdings away from nonferrous metals and into other fields such as energy, precious metals and cement. Although this diversification programme has helped, Newmont's earnings were down 40 per cent in 1982, as a result of lower precious metal prices and, most importantly, as a result of the depressed state of the copper market. In 1982 the company laid off employees and reduced operations severely at its main

copper mine, the San Manuel division of Magma Copper Company. The company's strong connections with southern Africa that began with O'okiep in South Africa and Tsumeb in Namibia over 35 years ago have continued into the 1980s. Today the Newmont Mining Corporation is actually partly owned by the largest mining company in South Africa; Consolidated Gold Fields PLC, an associate of the Anglo-American Corporation of South Africa, owns 22.4 per cent of Newmont. That 22 per cent ownership represents the largest single owner of Newmont shares.

4. The Tsumeb Corporation is by far the largest corporation in which North American investors are involved in Namibia, with the corporation's gross revenues accounting for about 20 per cent of total mining production in 1980, and just over 9 per cent of Gross Domestic Product (calculated on GDP of R 1,327 million). The corporation is the third largest mining company in Namibia after Consolidated Diamond Mines and Rossing Uranium (which together account for about 75 per cent of mining production).

5. Although not a large mine by present day standards, the Tsumeb mine has contributed significantly to Newmont's growth over the years since 1947. According to Newmont's official company history, dividends from Tsumeb and Newmont's interest in another smaller mining venture in South Africa, "profoundly altered Newmont's postwar economic position".⁵ In 1980, Newmont's earnings from Tsumeb represented three per cent of total corporate earnings, but in 1970, the figure was 10 per cent.

6. Earnings from Tsumeb Corporation have certainly helped to increase Newmont's profits over the last 30 years, the same cannot be said, however, for Tsumeb's contribution to the welfare of the people of Namibia. Although Tsumeb's mineral production represents about 80 per cent of base-metal production in Namibia, the bulk of the company's earnings are transferred abroad in the form of dividends each year. In the period 1966-1975, Tsumeb's net earnings averaged \$16.8 million and in the same period dividends paid to all shareholders averaged \$15.9 million—94 per cent of net earnings were transferred out of Namibia in the form of dividends.⁶ The figures for dividends as a percentage of net income for the period 1975-1981 are even higher.

7. The only contribution that Newmont's associate has made to Namibia has been in the form of taxes. Taxes paid by Tsumeb, since it was established, amount to about \$200 million, with income taxes in the 1966-1975 period averaging \$8.3 million per year. Although Namibia's official corporate tax rate in 1980 was about 42 per cent, Tsumeb's effective tax rate has been about 35 per cent in recent years. The normal tax rate on taxable profits was increased in 1980 from 35 per cent to 40 per cent, but the surcharge and loan levy were eliminated. Tax rates are determined by the South African-supported administration and can only be finalized with the signature of the Administrator-General. The tax rate on nonrenewable resources (such as minerals) is among the lowest in the world.

8. Nevertheless, Tsumeb's taxes have provided substantial support to the present illegal government of Namibia. While tax receipts in 1980 and 1981 were down because of tax breaks resulting from the acquisition of Otjihase, Tsumeb's tax payments in 1979 of \$15 million (R 12.5 million) amounted to 3 per cent of total government income of R 400 million. According to the company, the figure in 1970 was 8.6 per cent.⁷

9. The importance of Tsumeb cannot be measured, however, strictly on the basis of dollar value earned. American involvement in Tsumeb has meant the transfer of millions of dollars worth of US-origin technology to help exploit the mineral resources of Namibia. The original copper and lead smelters at Tsumeb were designed by American companies, and many of the evaluations of mineral deposits at Tsumeb were carried out in the United States.

10. Newmont executives argue that the involvement of American companies has helped promote change towards a better society in Namibia. There is much to indicate a contrary conclusion. In 1972, after Newmont had been involved in Namibia through Tsumeb for over 25 years, and after black workers at Tsumeb and elsewhere in Namibia had gone on strike to protest poor conditions, Tsumeb's minimum wage for black workers was only 54 per cent of that paid by Consolidated Diamond Mines, a South African multinational involved in Namibia. A 1975 study of Tsumeb conducted by one South African multinational corporation concluded that black workers at Tsumeb's mines were "definitely lower paid than their counterparts in South Africa".⁸ And South African mine wages are hardly a model for progressive employers.

11. While Tsumeb Corporation has made some efforts to train employees and provide better living and working conditions in recent years, the treatment of the black work force at Tsumeb still retains much that characterizes *apartheid*, with white workers earning nine times as much as black workers and the majority of black workers still employed as migrant labour forced to leave their families at home and live in dormitory style housing built just after the Second World War. After more than 30 years of involvement in Namibia, Newmont's record through Tsumeb contradicts the parent company's claim that American investment has been a progressive force in Namibia. As resistance to the illegal occupation increases in Namibia, Newmont's support of South Africa seems sure to escalate. Although tax payments in 1981 were almost nil because of the acquisition of Otjihase and its accumulated losses, Tsumeb's tax payments should have increased substantially in 1982. In addition, Tsumeb has been recruiting and equipping its own "commando force" and the company has been "advertising for 'security guards' with at least two years experience in the South African armed forces".⁹ Newmont's presence in Namibia, throughout its 35 years, has been supportive of South Africa's occupation of the country. Additional information on Newmont's involvement in Namibia is given in part one, chapter IV, dealing with Consolidated Gold Fields.

3. Structure of the corporation

12. Newmont is primarily involved in the production of nonferrous metals (Table 1), although in recent years the company has diversified operations into the energy and precious metal fields. Nonetheless, the corporation's earnings are still heavily dependent on the selling prices of nonferrous metals as the figures in Table 2 indicate.

13. Net income peaked in 1974, just after the price of copper (Newmont's predominant nonferrous metal) peaked and then net income slid down to a loss in 1977. The company's financial health improved again in 1979, again following a rise in the price of copper on world markets. Table 2 also aptly illustrates the growth in Newmont's assets between 1966 and 1981. The company's assets remained fairly stable until the late 1950s and in the 1960s the company began to expand on a large scale, partly as a result of the enormous growth in the value of assets such as O'okiep and Tsumeb, and also as a result of the company's acquisition of the giant Magma Copper mine.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, NEWMONT MINING CORPORATION

Subsidiary	Percentage owned by parent	Assets 1981 (Millions of US\$, Can.\$, R)
Magma Copper Company.....	100	\$329
Peabody Copper Company.....	27.5	\$1,106
Sherritt Gordon Mines Limited.....	39.8	\$C 326
Foote Mineral Company.....	89.1	\$185
Southern Peru Copper.....	10.7	\$332
Atlantic Cement Company, Inc.....	100	\$82
O'okiep Copper Company.....	57.5	R 38
Palabora Mining Company.....	28.6	R 213.6
Highveld Steel and Vanadium corporation Limited.....	10.4	R 48 (net income)
Newmont South Africa Limited.....	100	—

4. Economic information

14. The nature of the Newmont Mining Corporation involvement in Namibia is mining and prospecting.

TABLE 2. FINANCIAL SUMMARY, NEWMONT MINING CORPORATION (Millions of US dollars)

Economic data	Termination of mandate 1966	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981	1982
Total assets.....	245	745	1 077	1 199	1 932	1 947
Gross revenues.....	201	197	548	685	903	712
Income before taxes ^a	—	—	127	55.4	89.9	48.5
Taxes.....	37	13.3	45.2	17.7	26.4	0.0
Net income after taxes.....	67.6	54.1	113.6	34.1	375.6 ^b	48.5
Shareholder equity.....	293	444	637	636	1 300	1 320
Long-term debt.....	0.0	202	222	318	173	212

Source: Newmont, *Annual Reports*, 1965-1982.

^a Income before taxes does not include income from company's stockholdings, currency trading income and other irregular items. Thus such income less taxes will not always equal net income after taxes.

^b Includes extraordinary income of \$294 million on sale and exchange of St. Joe Minerals Corp. and exchange of Conoco Inc. stock.

B. NEWMONT HOLDING COMPANY OF SOUTH WEST AFRICA (PTY) LTD, NAMIBIA

Name of subsidiary: Newmont Holding Company of South West Africa (Pty) Ltd.
Address in Namibia: United House, 8th Floor, Kaiser Street, Windhoek.
Date established: 1976.¹⁰

15. The Official Gazette Extraordinary (30 January 1979) of SWA lists a "Newmont Holding Company of South West Africa (Pty) Ltd" as having been incorporated in 1976 with an initial capital of R 4,000. Little information is available (e.g., telephone number or bankers), on this company, and even Newmont's relatively comprehensive Annual Reports, and Securities and Exchange Commission filings do not mention Newmont Holding Company. Given the relatively small share capital (only R 4,000) it seems likely that Newmont Holding Company is simply an exploration branch of Newmont at the present time, although no additional information is available on the company. What is clear is that, of Newmont's two investments in Namibia, Tsumeb Corporation is clearly far more important.

C. TSUMEB CORPORATION LIMITED, NAMIBIA

Name of subsidiary: Tsumeb Corporation Limited.
Address in Namibia: P.O. Box 40, Tsumeb 9000, Namibia.
Telephone number: 27-3061.
Date established: 6 January 1947.

16. As of 1980 Share Capital was 4,200,000 shares authorized R 0.5 each; 4,000,000 shares issued and fully paid. On 16 August 1982, the shareholders agreed to increase company's share capital to 10,000,000 shares, by the creation of 5,800,000 shares of R 0.5 each. Only Newmont Corporation and BP Minerals International of the existing shareholders purchased their shares of this rights issue. Gold Fields South Africa, however, underwrote the rights issue and through this agreement purchased 27.5 per cent of Tsumeb. Gold Fields then purchased the shares held by Amax Corporation of the United States thus increasing its holding in Tsumeb to 42.3 per cent (Table 3).

TABLE 3. OWNERSHIP OF TSUMEB CORPORATION LTD, 1983

Shareholders	Direct	Indirect	Total
Newmont Mining Corporation (United States).....	30.7	2.8 ^a	33.5
Gold Fields South Africa.....	42.3	—	42.3
Selection Trust Limited ^b (United Kingdom).....	14.2	—	14.2
O'okiep Copper Company (South Africa).....	4.87	—	4.87
General Mining Union Corporation Limited (South Africa).....	4	—	4

Source: Newmont, *Annual Reports*, 1966-1981, Amax, *Report on Tsumeb*, 1977, and Tsumeb, *Annual Report*, 1982.

^a Through Newmont's 57.5 per cent equity in O'okiep Copper Company.

^b Kiln Products Ltd owns all of company's 2.1 million shares. Kiln is a subsidiary of Anglo American Corporation. "On December 1, 1978, control of SWACO was transferred from London to Johannesburg, but company is still registered in London". (Murray, 1981)

17. Although Tsumeb's *percentage* contribution to Newmont's earnings has declined in recent years, the Namibian corporation has still provided a steady source of income for its American parent. Tsumeb clearly represented a much larger portion of Newmont's worldwide holdings in the 1960s (accounting for as much as 12 per cent of corporate earnings) than it does in the 1980s. For further information on Tsumeb see Consolidated Gold Fields (part one, chapter IV).

TABLE 4. INCOME DISTRIBUTION, TSUMEB CORPORATION LTD (Millions of US dollars)

	1966	1974	1978	1981
(a) Net earnings of parent	73.8	127	55.4	89.9
(b) Namibian corporation's earnings as percent of (a) .	10.8	4.5	8.0	0.0
(c) Parent's cost plus equity in undistributed earnings of Namibian corporation since date of acquisition....		14.208	12.656	13.153
(d) Parent's equity in net income after taxation of Namibian subsidiary		7.361	4.051	(2.116)
(e) Cash dividends paid to parent by Namibian corporation	8.103	5.67	4.416	0.0

Source: Newmont, *Annual Reports* and *Form 10-Ks*, 1966-1982.

REFERENCES

NOTE: For full citation to sources here shorted or abbreviated, see over-all volume bibliography.

1. Newmont, *Form 10-K*, p. 5.
2. Ibid., p. 21.
3. IRRC, 1978, Analysis T.
4. Newmont, *Form 10-K*, 1982.
5. R.H. Ramsey, 1973, p. 127.
6. Amax, *Report on Tsumeb*, 1977.
7. Tsumeb Advertisement, *Wall Street Journal*, 5 September 1979.
8. Cronje and Cronje, 1979, p. 57.
9. Brian Wood, 1982, p. 12.
10. Official Gazette Extraordinary, 30 January 1979.

VII. NORD RESOURCES CORPORATION

CONTENTS

Richard L. Steinberger, a director, owns 1.9 per cent (86,700).³

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A. PARENT CORPORATION, UNITED STATES

1. *Background*

<i>Name of parent:</i>	Nord Resources Corporation.
<i>Namibian subsidiaries:</i>	(a) Nord Mining and Exploration (Pty) Ltd, (b) Nordex Joint Venture, (c) Penarroya Joint Venture. ¹
<i>Registered office:</i>	811 Timber Lodge Trail, Dayton, Ohio 45459, United States.
<i>Telephone number:</i>	(513) 433-6307.
<i>Date incorporated:</i>	31 December 1970. ²
<i>Location other than registered office:</i>	Delaware, United States.
<i>Banker:</i>	Chase Manhattan Bank, New York.
<i>Rank by assets in field of operation:</i>	Seventh largest U.S. producer of kaolin.
<i>Shareholder information:</i>	Caland Mineral Investment, N.V. (Netherlands) owns 18.1 per cent (884,145); Threshold Development Corporation owns 5.9 per cent (272,250); Edgar F. Cruft, founder of the company, owns 3.8 per cent (176,912); Tribute Investments Ltd (Channel Islands), an indirect associate of American Express, owns 6.4 per cent; Amax Bank Ltd (London), an indirect associate of American Express, owns 3.3 per cent (158,046); George H. Panusaka, a director, owns 2.4 per cent (109,480);

2. *Operations*

1. Nord Resources was already involved in Namibia when the company was incorporated in late 1971. Nord Mining and Exploration (Pty) Ltd had Namibian interests that date back to 1968. As of 1982, Nord Resources had only one prospecting venture in Namibia, with no other operations. The company's operations in Namibia have never been significant in terms of the Namibian economy as a whole and Nord's only revenue producing operation, the Krantzberg tungsten mine, produced a profit in only one of its seven years of operations.

2. The Penarroya Joint Venture is a copper prospecting venture in the Gorob area of Namibia, and is the only Nord operation still in Namibia as of 1982, according to Nord's Annual Report. The joint venture is between Société Minière Metallurgique de Penarroya (SMMP) which holds a 20 per cent equity, Nord which also holds 20 per cent equity, and Johannesburg Consolidated Investments (JCI) which holds a 60 per cent equity. JCI also manages the prospecting operation, although as of 1981 no new prospecting was being carried out on the grant. Although it is quite likely that Nord also holds other land grants in Namibia no further information is available on Nord's operations in the territory as of December 1981.

3. The Nordex Joint Venture was Nord's largest investment in Namibia until it was closed down in 1981 as a result of declining ore grades and a poor profit record. This joint venture was formed in 1970 as an exploration venture between Nord (40 per cent equity) and the Bethlehem Steel Corporation (60 per cent equity). The joint venture explored for and finally brought into production a tungsten mine at Krantzberg, 210 kilometres north of Windhoek. The mine operated for seven years, between 1973-1980, and for each year except 1975 the mine operated at a loss. By 1979 Nord had invested \$467,994 in the joint venture and in 1980 the partners decided to discontinue operations at Krantzberg. The mine was closed in 1980 and by 1981 the whole operation had been completely shut down.

4. Nord also signed a joint-venture agreement with an Elf-Aquitaine subsidiary in 1973 to prospect for copper in the Farm Kojeka area, about 160 kilometres from Gorob. Elf was required to spend the first \$300,000 on exploration, with further expenses split according to each company's equity holdings (60 per cent Elf and 40 per cent Nord). Nord's annual reports

for 1980 and 1981 make no mention of this venture and it is assumed that the company divested its holding.

5. Although in 1982 Nord's investment in Namibia looks relatively small and totally inactive, it is probable that Nord still holds some land grants in the territory. Nord, like another investor in Namibia, Brilund Ltd, is a speculative company that purchases land grants in the hopes that they may some day become profitable and that, because it is owner of the grant, the company may some day get a share of those profits.

3. Structure of the corporation

6. Nord Resources is a speculative company that is primarily engaged in the production of kaolin through Nord's 80 per cent owned subsidiary, Nord Kaolin Company (Table 1). In 1980, Nord Kaolin was the only one of Nord's subsidiaries that generated income.

7. The company's financial shape (Table 2) is bad and, in fact, in the period 1971-1981, the company has incurred losses each year except for 1974. Reduced demand for kaolin from the U.S. paper industry as a result of the economic recession have also hurt the company badly, and losses in 1981 were over three million dollars.

8. Nord is essentially a speculative company that buys up mineral rights in the belief that they will become profitable in the future. The company has limited capital resources and therefore conducts most of its business operations through partnerships, joint ventures and other similar arrangements.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, NORD RESOURCES CORPORATION

Subsidiary	Percentage owned by parent
Nord Kaolin Corporation	—
Nord Kaolin Company	80 (via Nord Kaolin Corp.)
Nord Petroleum Corporation	75
Sierra Rutile Limited (SRL)	15
Nord-Highlands Venture	—
Manatee Gateway Joint Venture	30

TABLE 2. FINANCIAL SUMMARY, NORD RESOURCES CORPORATION
(Millions of US dollars)

Economic data	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981
Total assets	1.99	—	13.78	34.65
Gross revenues	—	1.014	4.77	14.9
Net income (loss) ^a	—	(0.417)	(0.4)	(3.5)
Shareholder equity	1.887	—	5.58	13.2
Long-term debt	—	—	5.68	13.6

Source: Nord Resources, *Annual Reports*, 1977 and 1980.

^a A net loss was carried over each year and, accordingly, there was no taxes paid.

4. Economic information

9. The nature of the Nord Resources Corporation involvement in Namibia is prospecting and limited mining.

B. NORD MINING AND EXPLORATION (PTY) LTD, NAMIBIA

1. Basic data

Name of subsidiary:	Nord Mining and Exploration (Pty) Ltd.
Addresses in Namibia:	(a) Nord Mining and Exploration, Standard Bank Chambers, Kaiser Street, Windhoek, (b) Krantzberg Mine, Box 267, Omaruru.
Telephone numbers:	(a) 061-35061 (Nord Mining), (b) 300 (Krantzberg).
Date established:	1968. ⁴
Shareholder information:	100 per cent owned by Nord Resources Corporation.

10. Through Nord Mining and Exploration, Nord Resources holds, as of 1981, a 20 per cent interest in Penarroya JCI Joint Venture. Société Minière Metallurgique de Penarroya (SMMP) holds a further 20 per cent and Johannesburg Consolidated Investments holds the remaining 60 per cent of Penarroya. In 1981 Nord and its partners disposed of the Nordex Joint Venture, a company that operated the Krantzberg wolframite tungsten mine between 1973 and 1980. Nord's other partner in that venture was Ebco Mining Company, a subsidiary of the Bethlehem Steel Company that held 60 per cent equity. In 1973 the company was also reported to hold a 40 per cent equity in a copper exploratory programme on Farm Kojeka, 160 kilometres from Gorob. Aquitaine SWA was reported at the time to hold the remaining 60 per cent. This venture, however, does not appear anywhere in Nord's 1980 or 1981 annual reports and, as a result, Nord is assumed to have sold its interest.

2. Operations

11. Nord's investments in Namibia are all made through Nord Mining and Exploration (Pty) Ltd. Financial information on the two subsidiaries is available only through Nord Resources' filings with the U.S. Securities and Exchange Commission and little information is, in fact, available.

(a) Nordex Joint Venture

12. The only one of Nord's operations in Namibia that ever turned a profit is the Nordex Joint Venture formed in 1970 to explore and develop the Krantzberg mine, 210 kilometres north of Windhoek. The venture was a joint project with Nord holding 40 per cent equity and Bethlehem Steel Corporation holding 60 per cent equity through its Ebco Mining Company subsidiary.

13. The agreement for exploring the property called for Ebco to spend the first \$560,000 for exploration and then for Nord and Ebco to share further expenditures according to their equity holdings in the venture. By the

end of 1971 Nord had spent \$164,519 and Ebco had put in \$791,000. By the time the mine was brought into production in 1973 almost \$3 million had been spent.⁵

14. In its first year of operations, the Krantzberg mine produced 117 tons of high-grade wolframite, a tungsten-containing concentrate which was sold on the spot market in Europe, the United States and South Africa. Low tungsten prices combined with start-up difficulties led the joint venture to declare a loss in 1973 and again in 1974. The mine was never really profitable. In 1975, the only year Nord received any income from the mine, Nord's share in the Nordex Joint Ventures earnings was \$7,414 and by the next year Nord's share was but a \$184,402 share in the venture's losses.

15. Although the mine's production capacity was rated at 600 tons of 70 per cent tungsten trioxide concentrate per year, in all of its years of operation the mine never reached peak capacity. By 1979 Nord's investment in the Joint Venture was \$467,994 with losses for that year totalling \$295,330. In 1980 Nord and Bethlehem developed a plan to dispose of the mine because of declining ore grades and general unprofitability. By June 1980 extraction of ore underground had ceased and actual cash losses that year were \$193,954. Nord took losses of \$182,340 and \$220,000 in 1981 and 1980 for expenses incurred to dispose of the property.

(b) *Penarroya JCI Joint Venture*

16. Nord's other main operation in Namibia, and the only Nord subsidiary that is still in the country, is the Penarroya JCI Joint Venture which began in January 1970 as a joint venture between Nord (49 per cent) and Soci  t   Mini  re et Metallurgique de Penarroya (SMMP) (51 per cent) to explore for copper in the Gorob area in Namibia, an area that Nord has previously explored alone. The agreement called for SMMP to contribute 93 per cent of the first \$350,000 in exploration expenses, thereafter costs would be in accordance with each company's equity in the venture. As of December 1973 a total of \$678,444 had been spent, \$125,400 by Nord.

17. The joint venture discontinued exploration in 1973 and licensed B & O Minerals, a subsidiary of Johannesburg Consolidated Investments (JCI), to conduct exploration. If JCI spent \$570,000 by the end of 1975, then JCI had the right to purchase 60 per cent of the venture. By 1981, Nord's equity in the joint venture had been reduced to 20 per cent with Nord's total equity in the project valued at \$51,348. SMMP's equity had been reduced to 20 per cent and JCI had 60 per cent equity in the project. Nord reported in 1981 that JCI "is not developing this project".⁶

(c) *Farm Kojeka*

18. In 1973 Nord announced that it had entered into a joint venture for copper exploration on the Farm Kojeka approximately 160 kilometres from the Gorob copper prospect in Namibia. Nord's interest is 40 per cent with the remaining interest held by Aquitaine SWA, a subsidiary of Soci  t   Nationale de P  trole

d'Aquitaine. Nord's 1981 Annual Report does not list this venture and it is assumed that Nord Resources had divested itself of this subsidiary by 1981.

3. *Prospecting*

19. Nord Resources Corporation's major activities in Namibia have been prospecting. Nord Mining and Exploration (Pty) Ltd was originally part of a limited partnership that also included Nord Corporation and it was these two companies that came together in early 1971 to form Nord Resources Corporation. Before the incorporation of Nord Resources, Nord Mining and Exploration carried out some exploration activities on its own through its associates, the Nordex Joint Venture and what was then known as the Penarroya Joint Venture.

(a) *Nordex Joint Venture*

20. The original Nordex Joint Venture was for exploration on mining grants held by Nord, and Nord was the manager of the property. In 1972 the agreement was amended to provide for development of the Krantzberg tungsten mine as a commercial prospect, and by 1973 the Krantzberg mine was opened as Nord Resources Corporation's first producing associated mine.

21. The joint venture carried out an extensive exploration programme including drilling on the mine's property. Exploration of the Krantzberg grant continued after the mine was brought into production, but the exploration was generally directed towards finding in which directions the mine should be developed.

(b) *Penarroya JCI Joint Venture*

22. The Penarroya JCI Joint Venture agreement called for SMMP to contribute 93 per cent of the first \$350,000 in exploration costs, with expenses thereafter divided according to each company's interest in the project.

23. The joint venture was looking for copper in the Gorob area of Namibia, but after spending \$678,444 by the end of 1973 (\$125,400 by Nord), the joint venture discontinued operations. In 1973 the two original partners licensed B & O Minerals, a subsidiary of Johannesburg Consolidated Investment Company, to carry out further exploration on the property. This agreement stipulated that if B & O spent \$570,000 on exploration, then JCI would have the right to purchase a 60 per cent interest in the venture after certain cash payments to the original partners. In less than nine months B & O Minerals carried out an extensive exploration programme including air photography, geochemical analysis of samples and "wagon drilling" (testing outcrops of minerals with small, 150-foot, wells drilled for samples).

24. By 1981, Nord's equity in the joint venture was 20 per cent or about \$51,000 most of which represents payments made for property rights and rents. Although in theory JCI has the right to continue exploration, Nord

reported in 1980 and 1981 that no development work was being done.

(c) *Farm Kojeka*

25. Little information on Nord's other prospecting interests in Namibia is available. The company entered into a joint venture in a copper exploratory programme on the Farm Kojeka approximately 160 kilometres from the Gorob area in 1973. Nord's partner in the joint venture was Aquitaine SWA (later switched to another Elf-Aquitaine subsidiary, Omitaramines) which held 60 per cent of the venture. Aquitaine was required to spend the first \$300,000 on exploration activities with further expenditures according to each company's equity holdings. This venture is not mentioned in either Nord's 1980 or 1981 Annual Report and thus it is assumed that Nord no longer holds an interest in this prospect.

4. *Production and sales*

26. Nord Resource Corporation's only producing subsidiary was the Nordex Joint Venture's Krantzberg tungsten mine which began production in 1973 and was closed down in 1980. Figures on production at the mine are difficult to obtain, but the following data obtained from Nord's annual reports and reports of the U.S. Bureau of Mines gives some idea of production during the period when the mine was open.

27. In 1973 the Krantzberg mine produced about 117 tons of high-grade wolframite tungsten-containing concentrate. In 1974 Krantzberg produced 280 tons of 70 per cent tungsten-trioxide concentrate and by 1975 peak output was increased to 500 tons of concentrate a year, although 1975 output was reported by the Bureau of Mines to be around 250 tons of concentrate.

28. Although Tungsten prices were rising in 1976, equipment breakdowns and a reduction in ore grades resulted in reduced production in 1976 with concentrate output reported at about half of plant capacity of 500 tons. Production for the period 1977-1980 was reported to be "much less" than reported capacity of 600 tons concentrate per year.

29. Throughout its productive life, the Krantzberg mine was plagued with equipment breakdowns and despite initial optimistic reports, it appears that the mine was not as rich in tungsten as originally expected. By 1979 Nord had invested \$467,994 in the mine and in

1980 Nord announced that the two partners in the joint venture had decided to dispose of the property.

30. Most of the Nordex Joint Venture's production was sold on a spot-basis to companies in Europe, the United States and South Africa. Specific information on contracts and sales is not available. The concentrate was trucked to the town of Omaruru and then forwarded by rail to the port of Walvis Bay for shipping overseas.

5. *Employment information*

31. Employment information is difficult to obtain for Nord Resources Corporation. As of 1978, Nord employed approximately 270 black miners at its Krantzberg tungsten mine. Just after the 1978 "internal settlement" vote, on 2 January 1979 208 black miners went on strike to demand wage increases. The mine managers dismissed the 208 black miners and put them on a train back to Ovamboland.⁷

32. Although little detailed information is available, the only operation where Nord subsidiaries or associates employed any significant numbers of workers was the Krantzberg mine. The company conformed to all of the stipulations of the migrant labour conditions in Namibia (for details see description of Tsumeb Corporations operations) and, in fact, used the fact that most of its employees were migrant workers to break strikes by shipping workers off to their so-called homelands. As of 1982, with the Krantzberg operations discontinued, Nord does not appear to have more than a small number of employees in Namibia.

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NOTE: For full citation to sources here shortened or abbreviated, see over-all volume bibliography.

1. Nord Resources Corporation, *Form 10-K*, 1971, 1973, 1980, 1981.
2. The business and properties of a limited partnership (Nord Corporation and Nord Mining and Exploration Ltd) which started operations in 1968.
3. Nord, *Annual Reports*, 1980 and 1981.
4. Nord Mining and Exploration was originally part of a limited partnership that also included Nord Corporation in the U.S. This partnership was incorporated on 31 December 1970 as Nord Resources.
5. U.S. Bureau of Mines, 1973.
6. Nord Resources, *Annual Report*, 1981.
7. Cronje and Cronje, 1979, p. 131.

VIII. RIO ALGOM LIMITED

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A. PARENT CORPORATION, CANADA

1. Background

<i>Name of parent:</i>	Rio Algom Limited.
<i>Namibian subsidiary:</i>	Rossing Uranium Limited. ¹
<i>Registered office:</i>	120 Adelaide Street West, Toronto, Ontario M5H 1W5, Canada.
<i>Telephone number:</i>	(416) 367-4000.
<i>Date incorporated:</i>	1960.
<i>Bankers:</i>	1. Canadian Permanent Trust Com- pany, and 2. The Canadian Imperial Bank.
<i>Rank by assets in field of operation:</i>	The 56th largest company in Canada.
<i>Total number of employ- ees:</i>	7,811. ²
<i>Total number of share- holders:</i>	10,600. ³
<i>Shareholder information:</i>	Tinto Holdings Canada Limited, a wholly owned subsidiary of Rio Tinto-Zinc Corporation (RTZ) of the United Kingdom, owns 52.75 per cent of Rio Algom Limited. Canadian Pacific Enterprises Limited, a majority owned subsidiary of Canadian Pacific Ltd owns 9.36 per cent of Rio Algom's com- mon stock.

2. Operations

1. Rio Algom first became involved in Namibia in 1974 when the company exercised its option to acquire a 10 per cent equity interest in Rossing Uranium Ltd. Rio Algom's cash value in Rossing in 1976 was reported by the company to be 8.1 million Canadian dollars. The company's involvement in Rossing must be seen as part of the corporate strategy of Rio Algom's parent, Rio Tinto-Zinc (United Kingdom), which is the largest individual shareholder in Rossing. Nevertheless, Rio Algom has been heavily involved in the development of Ross-

ing since 1974. In addition to the original equity investment, Rio Algom provided Rossing with a loan of 7.5 million US dollars in July 1977, most of which was paid back by December 1980.⁴

2. Details about the operations and labour relations of Rossing Uranium Limited are provided in the entry on Rio Tinto-Zinc (Part one, Chapter VIII), suffice to say that Rio Algom is also responsible for the operations and practice of Rossing as a result of its 10 per cent shareholding.

3. Structure of the corporation

3. Rio Algom and its subsidiaries are engaged primarily in mining and steel operations (Table 1). The company's mining interest consists of the exploration for and mining of ores and its principal products are uranium oxide, copper and molybdenum. Rio Algom's steel operations consist of the production and marketing of stainless and speciality steels. Like most major corporations involved in the minerals business, Rio Algom's profits (Table 2) have been suffering in the past few years because of the poor international markets for metals and the world recession.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, RIO ALGOM LTD

<i>Subsidiary</i>	<i>Percentage owned by parent</i>
Lormex Mining Corporation.....	68.1
Riocanex Inc.	100.0
Atlas Steel Division	100.0

TABLE 2. FINANCIAL SUMMARY, RIO ALGOM LTD
(Millions of Canadian dollars)

<i>Economic data</i>	<i>United Nations Decree No. 1 1974</i>	<i>1978</i>	<i>1981</i>
Total assets	474.5	760.5	1 241
Gross revenues.....	396.5	584.6	934.5
Income before taxes	104.5	104.9	112
Taxes.....	50.6	38.7	48.7
Net income after taxes	44	61.6	65.8
Shareholder equity	214	340	489
Long-term debt.....	63	115	98.8

Source: Rio Algom, *Annual Reports*, 1974-1982.

4. Economic information

4. The nature of Rio Algom Ltd involvement in Namibia is mining uranium and minerals exploration.

B. ROSSING URANIUM LIMITED, NAMIBIA

Name of subsidiary: Rossing Uranium Limited.
Address in Namibia: P.O. Box 22931, Windhoek 9000.
Telephone number: 36760.
Date established: 1970.⁵
Bankers: 1. Barclays National Bank Ltd, and
2. Standard Bank.⁶

*Shareholders of subsidiary:*⁷

<i>Company</i>	<i>Percentage held</i>
Rio Tinto-Zinc Corporation PLC (United Kingdom)...	46.5
Industrial Development Corporation Ltd (South Africa)	13.2
Rio Algom Ltd (Canada)	10.0
TOTAL—Compagnie Française des Pétroles (France).....	5.0
Urangesellschaft mbH (Germany, Fed. Rep.).....	5.0
General Mining Union Corporation (South Africa)	6.8

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NOTE: For full citation to sources here shortened or abbreviated, see over-all volume bibliography.

1. Alun R. Roberts, *The Rossing File*, p. 45.
- 2-3. Rio Algom, *Annual Report*, 1981.
4. Rio Algom, *Proxy Statement*, 6 April 1981.
5. RTZ Corporation PLC, *Rio Tinto 1873 to RTZ 1973*, RTZ Corporation PLC: London, 1973, p. 5.
6. Alun R. Roberts, Private verbatim transcript of the Annual General meeting of the Rio Tinto-Zinc Corporation PLC, 1983, held at Europa Hotel, London, 26 May 1983.
7. Alun R. Roberts, *The Rossing File*, Namibia Support Committee: London, 1980; *Urangesellschaft*. Urangesellschaft mbH: Frankfurt, 1982.

IX. STANDARD OIL COMPANY OF CALIFORNIA

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A. PARENT CORPORATION, UNITED STATES

1. Background

<i>Name of parent:</i>	Standard Oil Company of California.
<i>Namibian subsidiary:</i>	Caltex Oil (SWA) Pty Ltd. ¹
<i>Registered office:</i>	225 Bush Street, San Francisco, California 94104, United States.
<i>Telephone number:</i>	(415) 894-7700.
<i>Date incorporated:</i>	27 January 1926.
<i>Location other than registered office:</i>	Delaware, United States.
<i>Banker:</i>	Crocker National Bank, San Francisco.
<i>Rank by assets in field of operation:</i>	Fourth largest U.S. oil company, by sales; Forbes 500 ranked 7th.
<i>Total number of employees:</i>	43,000.
<i>Total number of shareholders:</i>	247,000.
<i>Shareholder information:</i>	Two per cent stock owned by descendants of John D. Rockefeller. Almost 1.5 per cent of stock owned by Chase Manhattan Bank. ²

2. Operations

1. The Standard Oil Company of California first became involved in Namibia in 1966 when the company acquired rights, with Texaco Inc., to an offshore oil concession. The final agreement for this offshore concession was signed on 1 January 1970.

2. In the early 1970s Standard conducted seismic testing and drilled two test holes in an oil exploration programme on two offshore concessions in Namibia. The company announced in February 1975 that it was pulling out of all offshore oil prospecting in Namibia

citing business reasons. Standard and four other American oil companies, however, had been the target of an extensive campaign to encourage the companies to pull out of Namibia, and many activists contend that Standard's decision was, at least in part, in response to this pressure. As of 1982, Standard's operations in Namibia are through Caltex Oil (SWA) Pty Ltd, a wholly owned subsidiary of Caltex Petroleum Corporation which in turn is 50 per cent owned by Standard Oil.

3. Although Caltex's operations in Namibia contribute little to Standard's profits, Caltex's oil supplies to Namibia are of strategic importance to the economy and, most probably, to the South African occupation army. In addition Caltex accepts the *apartheid* system in Namibia with, for instance, separate bathrooms for black people and white people. Caltex supplies oil products to Namibia from its 23.8 per cent owned oil refinery in Cape Town, South Africa.

3. Structure of the corporation

4. The Standard Oil Company of California is a major international oil company (Table 1) with activities in 90 countries. According to the company, Standard engages in worldwide integrated petroleum operations which consist of exploring for and developing crude oil and gas reserves, transporting oil, natural gas, and petroleum products by pipelines, oil tankers and motor equipment, operating large refinery complexes for converting crude oil to finished products and marketing at wholesale and retail the hundreds of products derived from petroleum. In addition, Standard has interests in the production of chemicals and fertilizers, real estate, exploration for geothermal energy, mineral exploration and development of synthetic fuels.

5. Standard's principal operations fall under the brand name "Chevron". Of all the company's operations, petroleum operations in the United States

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, STANDARD OIL CO. OF CALIFORNIA

Subsidiary	Percentage by parent
Chevron USA	—
American Gilsonite Company	—
AMAX Inc.	20.53
Chevron Chemical Pan-American Company.....	—
Caltex Petroleum Companies	50
Arabian American Oil Company.....	28.33
California Asiatic Oil Company.....	—
Chevron Canada Limited.....	48.9
Irving Oil Limited	—

TABLE 2. FINANCIAL SUMMARY, STANDARD OIL CO. OF CALIFORNIA
(Millions of US dollars)

	Termination of mandate 1966	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981
Total assets.....	4 802	7 531	11 640	16 761	23 680
Gross revenues	3 207	5 930	18 775	24 598	46 609
Income before taxes.....	—	1 988	1 755	1 928	3 996
Net income after taxes.....	386	511	970	1 106	2 380
Shareholder equity.....	3 768	4 919	6 450	8 231	12 703
Long-term debt.....	—	1 054	1 015	1 329	1 164

Source: Annual Reports 1968, 1971, 1974, 1978, 1981.

accounted for more than half of Standard's profits in 1981 and the company's main base for operations remains in the United States and particularly on the West Coast.

4. Economic information

6. The nature of Standard Oil Company of California involvement in Namibia is distribution of petroleum supplies.

B. CALTEX OIL (SWA) PTY, LTD, NAMIBIA

1. Basic data and current operations

Name of subsidiary: Caltex Oil (SWA) Pty, Ltd.
Address in Namibia: Trust Bank Centre, 311 Kaiser Street,
Box 3308, Windhoek.
Telephone number: 37393.
Shareholder information: Caltex Oil (SWA) Pty Ltd, is a wholly owned subsidiary of Caltex Petroleum Corporation, a company that in turn is owned 50 per cent by Standard Oil Company of California and 50 per cent by Texaco Inc.³

7. Caltex's operations in Namibia are significant primarily because the company is involved in distributing a product with strategic significance. Examination of the Namibian phone book indicates that Caltex has oil distribution depots scattered across Namibia at Gobabis, Keetmanshoop, Tsumeb, Walvis Bay and Windhoek for example.⁴

8. In a discussion of petroleum supplies to South Africa and Namibia in the March 1982 issue of the *Petroleum Economist*, author Martin Quinlan notes that five international oil companies operating in South Africa have about 85 per cent of the inland market for oil products in the two countries. Quinlan goes to say that Caltex supplies oil products from its 23.8 per cent owned refinery in Cape Town to the west coast of South Africa and to Namibia. Caltex was originally incorporated in South Africa in 1911 and now claims to manufacture petroleum products and lubricating oils and greases and market them "at principal towns in South Africa".

9. Although a clear picture of Caltex's operations in Namibia would be nearly impossible to obtain, a picture

of Caltex's operations in South Africa suggests the type of pattern that probably occurs in Namibia. According to Caltex's 1980 Annual Report, the company provides aviation fueling services for domestic flights in South Africa and the company chose to carry out its first tests of a new fuel-saving motor oil in South Africa in 1980. Caltex has also introduced a computer-guided oil-distribution system in South Africa to help save on gas consumption. With the Republic now faced with an official oil embargo by all OPEC (and most non-OPEC) producers, Pretoria's planners must surely appreciate Caltex's gas saving measures.

10. Although certainly Caltex is not the only petroleum distributor in Namibia, the company by virtue of its nearby refinery probably has an ability to supply oil products more quickly and less expensively than other Namibian distributors. In addition, Caltex gas stations in Namibia participate in the *apartheid* system. Visitors to Namibia in 1981 report that Caltex gas stations maintain separate toilets for black and white patrons and practice other forms of discrimination.⁵ No further information is available about the specifics of Caltex's involvement in Namibia.

2. Past involvement by Standard Oil and Texaco in Namibia

11. Texaco and Standard originally acquired 50 per cent each of an offshore oil concession in Namibia in 1966. The concession was actually a sublease from the Marine Diamond Company that was amended in 1968 and the final agreement between Texaco, Standard, and Marine Diamond was drawn up in January 1970. The concession originally covered 2.83 million hectares but the two American companies were later required to relinquish 80 per cent, leaving about 600,000 hectares.

12. Texaco and Standard granted 5 per cent each (or a total of 10 per cent) of their sublease from Marine Diamond to the parastatal company SWAKOR in 1970. Texaco's subsidiary Regent and Standard's subsidiary Chevron conducted two seismic surveys on the original 2.83 million hectare concession, and drilled an initial well (No. 1 Kudu) late in 1973. That first well was abandoned in April 1974 after reaching a depth of approximately 4,300 metres.

13. The companies were required by the terms of their contract to drill at least one more test hole by the last half of 1975 and a December 1974 article in the *Petroleum Economist* confirms that in fact that hole was drilled. The *Petroleum Economist* reported that gas had been struck on a Texaco/Chevron concession some 130 kilometres off the mouth of the Orange River, but that the gas flowed at such a high pressure that production tests were awaiting the arrival of suitable equipment in early 1975. It is assumed that no further exploration was done on this property by Texaco or Chevron, as both companies announced in January 1975 that they were pulling out of all offshore oil prospecting in Namibia.

14. In the early 1970s the Chevron/Regent consortium was also involved in a 78,000 square kilometre offshore oil exploration lease in another area of Namibia. This concession was granted in early 1972 as a sub-lease from the parastatal SWAKOR to explore a concession stretching from Walvis Bay to Lambert's Bay that extends from the 200-metre depth contour to the 1,000

metre depth contour. Texaco reported in 1974 that Regent/Chevron held a 5.66 million hectare deepwater concession, presumably including the same concession on which they had conducted two seismic surveys. The company has reported at the time that a third seismic survey was planned with possible drilling being considered for 1975. This concession was also discontinued in early 1975 when both companies announced an end to offshore oil prospecting.

REFERENCES

NOTE: For full citation to sources here shortened or abbreviated, see over-all volume bibliography.

1. Official Gazette Extraordinary of South West Africa, 30 January 1979; Caltex, *Annual Report*, 1980.
2. Milton Moskowitz *et al.*, *Everybody's Business*, 1980, p. 530.
3. Official Gazette Extraordinary of South West Africa, 30 January 1979; Caltex, *Annual Report*, 1980.
4. Telephone Book, South West Africa and Walvis Bay, 1981/82.
5. Gail Hovey, *Namibia's Stolen Wealth*, p. 35.

X. TEXACO CORPORATION

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A. PARENT CORPORATION, UNITED STATES

1. Background

<i>Name of parent:</i>	Texaco Corporation.
<i>Namibian subsidiary:</i>	Caltex Oil (SWA) Pty Ltd. ¹
<i>Registered office:</i>	200 Westchester Ave., White Plains, New York 10650, United States.
<i>Telephone number:</i>	(914) 253-4000.
<i>Date incorporated:</i>	26 August 1926.
<i>Location other than registered office:</i>	Delaware, United States.
<i>Banker:</i>	Chase Manhattan Bank, N.Y.
<i>Rank by assets in field of operation:</i>	Second largest United States oil company; Forbes 500 ranked sixth.
<i>Total number of employees:</i>	67,000.
<i>Total number of shareholders:</i>	415,262.
<i>Shareholder information:</i>	Texaco's employee investment plan holds over 5 per cent of the corporation's stock. Much of Texaco's stock is held by institutional investors: banks, insurance companies, mutual funds, etc. ²

2. Operations

1. Texaco Inc. first became involved in Namibia in 1966 when the company acquired rights, with Standard Oil Company of California, to an offshore oil concession on the Namibian coast. The agreement for this concession was signed on 1 January 1970.

2. In the early 1970s Texaco owned an interest in two offshore oil concessions in Namibia. Texaco helped finance seismic testing and two test holes on the concessions in the period of 1972-1975. The company announced in January 1975 that it was pulling out of all offshore oil prospecting in Namibia citing business reasons. Texaco and four other American oil companies,

however, had been the target of an extensive campaign in the United States to force them to pull out of Namibia and many activists in the United States feel that Texaco's withdrawal from offshore concessions was, at least in part, a response to this pressure. As of 1982, Texaco's only known operations in Namibia were through Caltex Oil (SWA) Pty Ltd, a wholly owned subsidiary of the Caltex Petroleum Corporation which in turn is 50 per cent owned by Texaco.

3. Although Caltex's operations in Namibia contribute little to Texaco's profits, the strategic importance of Caltex's oil supplies cannot be measured strictly in economic terms. In an article on petroleum supplies in South Africa and Namibia in early 1982, the *Petroleum Economist* noted that Caltex was responsible for supplying oil products to the west coast of South Africa and to Namibia. The company operates a refinery in Cape Town and supplies these two market areas from that refinery. In addition, Caltex gas stations in Namibia provide separate toilet facilities for blacks and whites and are segregated. Given the strategic importance of petroleum supplies to the functioning of the Namibian economy and to the functioning of South African Defense Forces in Namibia, Caltex and its American parents are playing a key role in continuing the South African occupation of Namibia.

3. Structure of the corporation

4. Texaco is the second largest oil company in the world and is ranked sixth on the Forbes 500. The company is engaged in the worldwide exploration, production, transportation, refining and marketing of crude oil and its products (Table 1).

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, TEXACO INC

Subsidiary	Percentage owned by parent	Total assets
Caltex	50 (Texaco equity in net income = US\$666 million)	
Texaco USA.....	—	
Texaco Latin America/West Africa.....	—	
Texaco Canada.....	—	
Texaco International.....	—	

5. The company's strategy in recent years has shifted radically from that of Texaco 20 years ago. For many years Texaco was the most profitable oil company in the world, owned the most oil reserves, sold more gasoline than any other company and, in the United States, operated filling stations in all 50 states. When the

petroleum market began changing in the 1970s, however, Texaco did not respond and company profits fell in the later part of the decade. Texaco has since expanded its international operations to the point where, in 1981, 54 per cent of net income was from operations in the eastern hemisphere.

6. Texaco has been one of the leaders in moving aggressively into exploration in the Peoples Republic of China and, in southern Africa, Texaco is one of the two biggest Western investors in Angola. Texaco has also tried to arrange a deal for exploration in Mozambique.

7. In addition to oil exploration and production, Texaco is involved in marketing petroleum products under the company's own name in the western hemisphere and through Caltex in the eastern hemisphere. The company is also moving into other energy related fields, such as uranium mining.

4. Economic information

8. The nature of Texaco Inc. involvement in Namibia is distribution of petroleum supplies.

TABLE 2. FINANCIAL SUMMARY, TEXACO INC
(Millions of US dollars)

<i>Economic data</i>	<i>Termination of mandate 1966</i>	<i>ICJ advisory opinion 1971</i>	<i>United Nations Decree No 1 1974</i>	<i>1978</i>	<i>1981</i>
Total assets.....	7 270	10 424	16 596	20 249	27 500
Gross revenues	4 780	7 756	23 992	29 124	59 297
Income before taxes ^a	—	1 423	2 873	1 806	4 165
Taxes:					
Foreign.....	280	453	1 314	2 163	3 752
Domestic	—	—	—	2 161	619
Net income after taxes.....	672	904	1 558	853	2 310
Shareholder equity.....	4 713	6 143	8 207	9 463	13 725
Long-term debt.....	740	1 334	2 008	2 733	2 112

Source: Texaco Annual Reports 1981, 1978 (10-year summary), 1971.

^a Income before taxes does not include some dividends or income from extraordinary items.

B. CALTEX OIL (SWA) PTY LTD, NAMIBIA

Name of subsidiary: Caltex Oil (SWA) Pty, Ltd.
Address in Namibia: Trust Bank Centre, 311 Kaiser St., Box 3308, Windhoek.
Telephone number: 37393.

9. Caltex Oil (SWA) Pty Ltd, is a wholly owned subsidiary of Caltex Petroleum Corporation, a company that in turn is owned 50 per cent by Texaco Inc., and 50 per cent by the Standard Oil Company of California.³ (See Chapter IX, Section B under *Standard Oil Company of California* for information about Caltex and other Texaco operations in Namibia in the past. Texaco and Standard conduct all of their operations in Namibia on a 50:50 basis.) Texaco's operations in Namibia have all been through either Caltex or, in the early 1970s through joint ventures between Regent and Chevron, subsidiaries of Texaco and Standard Oil of California, respectively.

10. Because of Texaco's substantial involvement in Angola, the company appeared to have little interest in further operations in Namibia as of 1981. Nevertheless, Caltex (50 per cent owned by Texaco) does operate in the occupied territory where it accepts *apartheid*. Caltex gas stations in Namibia have separate facilities for black and white patrons, according to travelers visiting the country in 1981.

11. Data on Caltex Oil (SWA) Pty Ltd, and its contribution to Texaco Inc., is difficult to obtain. Clearly, the operations of Caltex in Namibia contribute relatively little to the earnings of a company as large as Texaco. Caltex supplies oil products from its Cape Town refinery to the west coast of South Africa and to Namibia, but no further information on amounts supplied, etc., is available.

12. Texaco's equity in Caltex's net income in 1981 was \$666 million, a sum which represents a good portion of Texaco's pre-taxation income that year of \$4,165 million. The company's equity in Caltex's net income in 1978 was \$308 million, with Texaco's pre-taxation income for that year being \$1,806 million. While Caltex as a whole is clearly an important component of Texaco's balance sheet, the petroleum distributor's operations in Namibia do not appear to constitute a significant part of Texaco's net income.

REFERENCES

NOTE: For full citation to sources here shortened or abbreviated, see over-all volume bibliography.

1. Official Gazette Extraordinary of South West Africa, 30 January 1979; Caltex, Annual Report, 1980.
2. Milton Moskowitz *et al.*, *Everybody's Business*, 1980, p. 540.
3. See reference 1.

Part Three
TRANSNATIONAL CORPORATIONS
BASED IN SOUTH AFRICA

I. ANGLO AMERICAN CORPORATION OF SOUTH AFRICA

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Anglo American Corporation of South Africa.
<i>Namibian subsidiary:</i>	Anglo American Prospecting Company.
<i>Registered office:</i>	44 Main Street, Johannesburg, South Africa 2001.
<i>Telephone number:</i>	838-8111.
<i>Date incorporated:</i>	25 September 1917, Company Registration No. 010530906.
<i>Location other than registered office:</i>	Johannesburg, Transvaal.
<i>Rank by assets in field of operation:</i>	The Anglo American Group is the Western world's largest producer of gold, diamonds and platinum. ¹
<i>Total number of employees:</i>	231,000. ²
<i>Total number of shareholders:</i>	24,393.
<i>Shareholder information:</i>	Ownership is widely distributed. There are more than 24,000 registered ordinary shareholders. ³ The majority of the share capital, 80 per cent, is held in South African interests and the remaining 20 per cent is held outside South Africa. ⁴

2. Operations

1. Anglo American Corporation of South Africa Limited (Anglo American), the largest company in South Africa and a dominant influence in the economy of southern Africa in general, was the largest foreign investor in the United States of America in 1980 and

1981.⁵ In order to gain this financial position, Anglo American displaced Royal Dutch Shell from first place. This financial achievement culminated a publicly announced effort by Anglo American in 1975 "... to pursue a policy of seeking new business opportunities throughout the world".⁶

2. Established in 1917, Anglo American is the biggest single economic factor in South Africa. Together with De Beers Consolidated Mines, Anglo American exercises control over a group of subsidiary and affiliated companies known as the Anglo group. The Anglo group is the largest producer of gold, diamonds and platinum in the Western world. De Beers operates a monopoly in the diamond trade.

3. The Anglo American group of companies is the unchallenged giant of the African mining industry. Both in white-ruled South Africa itself and in other independent African States, the group mines a wide range of base and precious metals. In its 1975 *Annual Report*, Anglo American noted that the over-all value of the interests of the group was R 5,300 million in 1975,⁷ as compared with the gross domestic product for the United Republic of Tanzania of only R 1,800 million in the same year.⁸

4. The base of the Anglo American empire is bifurcate. De Beers controls the world diamond trade, the Anglo group controls the gold mines. Within South Africa, the Anglo American group dwarfs all competition. Although De Beers is only one part of the Anglo American empire, it is five times the size of the two largest South African banks combined. In 1970, which was not a particularly good year for De Beers, it made more profit than the 20 most profitable South African companies combined.⁹ In 1977, after a wave of take-overs and mergers among leading South African industrial companies, Anglo American was slightly less dominant, but its pre-tax income still equalled the combined total of the eight most profitable industrial companies in South Africa.¹⁰ In 1977, the Anglo American group held substantial interests in nine of the top 10 gold mines (ranked by production) in South Africa. Through its management and technical services the Anglo American group administered three of the top five gold mines and six of the top eleven.¹¹

5. Included within the Anglo American group in 1976, were three of the major mining houses, the five largest mining finance houses, the largest life insurers, and the largest retail motor organization in South Africa. Next to the government, the Anglo American group is the largest employer of labour in South Africa. Additional investments by the Anglo American group

are in steel industries, 10 leading property companies, and burglar alarm manufacturing corporations.

6. Anglo American is a large holding and manufacturing corporation with huge interests in the mining of South African gold, copper, diamonds and coal. Anglo American has substantial economic interests in many parts of the world including Canada, United States of America, United Kingdom, France, Brazil, Zimbabwe, Australia and Bermuda.

7. The great strengths of the Anglo American group, apart from its size and profits, are its capital resources, financial skills, a vast information network and large-scale engineering know-how. Where other companies experience difficulty with financing major projects, Anglo American's high reputation in international financial circles means that it can attract fresh capital almost at will. The group has links with all the important financial centres of the world. Its bankers include Deutsche Bank, the Union Bank of Switzerland, Banque de Paris et des Pays Bas, City Bank of New York, Morgan Guaranty, Rothschilds, Morgan Grenfell and Banca Commerciale Italiana. The group's ability to raise overseas finance is strengthened by an agreement with the South African régime. Under the terms of this agreement, De Beers supports long-term state loans and, in return, has permission to raise funds abroad to finance development in other countries.¹²

8. There are about 200 Anglo American group corporations and subsidiaries in southern Africa. In North America, the Anglo American group has six major operating corporations, these own viable and financially strong subsidiaries and affiliates. The Anglo American group in North America has investments in at least 143 corporations. The Anglo American corporation has established a complex pattern of interlocking ownership which is designed to maintain control of the ever growing Anglo American empire without tying up too many resources and endangering expansion, or losing control of existing investment.

9. The pre-eminence of Anglo American in both the control structure and management system makes it clear that although Anglo American's executives prefer to speak as if their group were a narrowly circumscribed group of subsidiary and directly associated companies, De Beers and the other major entities are, in practice, part of one enormous Anglo American family.¹³

10. Anglo American takes full advantage of the minimum outlays of both holding companies to secure maximum control. Through these mechanisms it is possible for Anglo American to control a mining company through a 30 per cent stake in a holding company. In theory Anglo American is in a weak position to control the mine, owning only 30 per cent of 30 per cent but, in practice, as long as the other shares are widely dispersed, Anglo-American control is complete, especially if, as is often the case, Anglo American has the management contract.

3. Structure of corporation

11. Anglo American and its associates have important investments in companies engaged in the production of gold, uranium, diamonds, coal, copper, nickel, oil, gas, platinum, tin, potash, iron, vanadium, lead, zinc, manganese, and wolfram (Table 1). Investments in industry range from companies engaged in the manufacturing of steel and ferro-alloys and heavy engineering, to construction, motor vehicles, paper, textiles, chemicals, drilling tools, refractories and foodstuffs. The principal commercial interests are in insurance and property, banking, freight, travel and computer services.¹⁴

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, ANGLO AMERICAN CORPORATION OF SOUTH AFRICA

Subsidiary	Percentage owned by parent	Total assets (1982)
Amcoal.....	50.9	R 198 600 000
Anglo American Investment Trust Ltd.....	52.2	R 137 400 000
Angold.....	48.6	—
New Central Witwatersrand Ltd.....	37.84	—
Ambras.....	36.	—
Amzim.....	16.6	—
Amic.....	45.75	R 537 223
Amaprop.....	65.56	R 19 149
Australian Anglo American Ltd.....	46.67	—
Barlow Rand Ltd.....	7.02	—
De Beers Consolidated Mines Ltd.....	31.15	—
Empresas.....	18.	—
GENCOR.....	6.47	—
Goldfields of South Africa.....	3.30	—
Minorco.....	41.81	—
Anglo American Farms.....	50.50	—
AECI.....	18	—
De Beers.....	31	—
Johannesburg Consolidated Investments.....	40.17	—

Source: Anglo American Corporation, *Annual Report*, 1982.

4. Economic information

12. The nature of Anglo American involvement in Namibia is mining, farming, industries, properties and manufacturing. Table 2 summarizes its financial status from 1978 to 1982.

TABLE 2. FINANCIAL SUMMARY, ANGLO AMERICAN CORPORATION OF SOUTH AFRICA
(Millions of rand)

Economic data	1978	1981	1982
Total assets.....	—	5 253	6 016
Gross revenues.....	—	761	903
Income before taxes.....	253	612	715
Taxes.....	17	26	102
Net income after taxes.....	—	586	613
Shareholder equity.....	955	2 010	2 588

Source: Anglo American Corporation, *Annual Report*, 1982, *Fact's Investors Guide*, June 1981.

B. SUBSIDIARIES OPERATING IN NAMIBIA

1. *Anglo American Prospecting Company Ltd, and Anglo American Base Metal Holdings (SWA) Pty*

(a) *Basic data*

Address in Namibia: 27 Parsons Road, Box 20665, Windhoek.
Telephone number: 37486.
Date operations commenced: 1960.
Bankers: Barclays Bank.
Shareholder information: 100 per cent owned by Anglo American Corporation of South Africa.

(b) *Summary of operations*

13. Anglo American Prospecting Company Limited and its affiliate Anglo-American Prospecting Services Limited have been prospecting in Namibia and South Africa for many years.¹⁵ Anglo American Corporation is prospecting both on its own account and in association with other mining companies. In its annual reports for 1977-1979, Anglo American reported exploration for a wide range of base metals and uranium in South Africa and Namibia, with a significant proportion of total prospecting expenditure devoted to uranium.¹⁶ In 1979, "interesting results" were said to have been obtained by a drilling programme at a large, low-grade, secondary uranium deposit at Tubas in the vicinity of Rossing.¹⁷ Prospecting is in conjunction with Elf Aquitaine, Total and the Union Corporation. To the north, Rand Mines, and Anglo American affiliate discovered uranium mineralization and commenced prospecting in 1979.¹⁸

14. Elf Aquitaine's exploration and prospecting activities are carried out by its wholly owned subsidiary, Omitaramines, formerly known as Aquitaine SWA, under a joint venture agreement with Anglo American, the Union Corporation and Total.¹⁹ Anglo American Prospecting Company Limited and Aquitaine have a 28,000-hectare prospecting grant for the area east of the Rossing Mine.²⁰

15. Anglo American Prospecting Company Ltd with its affiliate Anglo-American Prospecting Services (Pty) Ltd were granted licences to prospect for diamonds and base minerals in the following areas: Namib Desert Park, Walvis Bay District, 25/6/73-24/6/76 (Number 304); Namib Park unsurveyed State land, Swakopmund District, 29/10/73-28/10/77 (Number 340); two farms, Rehoboth District, 2/4/75-1/4/77 (Number 306); two farms, Otjiwarongo District, (Number 442); Windhoek District, 24/3/75-23/3/77 (Number 441); Walvis Bay District, 7/7/75-6/7/77; three farms, Rehoboth District, 21/9/75-20/9/77 (Number 471).²¹

16. In 1979, two deposits were found at Tubas and Ausseinis.²² Anglo American, Minatome, Elf Aquitaine and Union Corporation are involved in exploration around the Rossing and Tubas areas. Further exploration by Anglo American Prospecting Company for base metals has continued in Namibia since 1980. The results from the Skorpion lead and zinc prospect in

the Sperrgebiet in Namibia have been disappointing.²³ Although the Sperrgebiet results were not encouraging, Anglo American is counting to prospect for base metals and oil. In 1980, it concluded exploration and prospecting agreements with Nord and an unidentified South African company.²⁴

17. No information on employment conditions is available.

(c) *Prospecting*

18. Anglo American Prospecting Company and its affiliate, Anglo American Prospecting Services Corporation are continuing their extensive search for a wide range of base metals in Namibia, South Africa and other parts of the world. Although there was a temporary slow down in uranium prospecting in 1980, there has been an active resumption in Anglo American activities.²⁵

19. Other prospecting and explorations by Anglo American are jointly being done with De Beers and Consolidated Diamond Mines in the Namibian inshore and offshore areas. In addition to exploration for diamonds, uranium, lead, copper and zinc, oil and gas are particularly sought.²⁶

20. Co-operation with American and Western European oil companies in joint exploration ventures are emphasized. Anglo American is also working closely with SOEKOR, SASOL and the Council for Scientific and Industrial Research (CSIR).²⁷

21. Anglo American has been prospecting for uranium for a number of years at Tubas in the Swakopmund area of Namibia, but the corporation reported in 1980 that although small deposits were located "these are unlikely to be economic at present market prices".²⁸

22. The corporation has also been conducting further prospecting on a copper/lead/zinc deposit in the Sperrgebiet area of Namibia. But in 1982, Anglo American reported that further prospecting was being slowed owing to difficult drilling conditions.²⁹

2. *Gold Fields Namibia*

(a) *Basic data*

Address in Namibia: Gold Fields Namibia, Kiln Products Ltd, Berg Aukas, Mine Box 402, Grootfontein.
Telephone number: Grootfontein 2047.
Date operations commenced: 1892.
Shareholder information: Anglo-American Corp. of South Africa holds 42 per cent.³⁰

(b) *Operations*

23. Gold Fields Namibia is a joint subsidiary of the Anglo American Corporation and Gold Fields South Africa.³¹ Kiln Products is an unquoted and an unlisted affiliate company of these two conglomerates. Before 1976, Anglo American and Gold Fields South Africa purchased all the issued 2,127,228 South West Africa Company (SWACO) shares through Kiln Products

Ltd.³³ The deal was accepted by the SWACO board and was approved by the Bank of England in 1976. Since November 1976, SWACO became a wholly owned subsidiary of Kiln Products, and then Gold Fields Namibia when Kiln Products changed its name.

24. SWACO is the oldest mining company in Namibia (established in 1892) and is still active.³⁴ It operates two mines, Berg Aukas (lead, vanadium, zinc), and Brandberg West (tin and tungsten).³⁵ Since 1957, SWACO has been effectively controlled by the Anglo American and Consolidated Gold Fields group of companies which purchased the majority of shares from institutions and private shareholders. Until 1976, SWACO's shares were held as follows: 44 per cent by Consolidated Gold Fields Ltd, and 2 per cent by Charter Consolidated.³⁶ Gold Fields of South Africa provided from 1957 onwards the technical management at the two SWACO mines and the company's London office was in the head office of Consolidated Gold Fields.³⁷ SWACO's London exchange listing was withdrawn in September 1976, and the corporation was granted permission in December 1978 by the British Government to transfer its management and control outside the United Kingdom.³⁸

25. SWACO's mining rights "include eleven proclaimed mining areas totalling 2,473 hectares in the Brandberg West/Wolfram mining area, Cape Cross, Otjivalunda, Otavi and Grootfontein districts. In addition, an exclusive mining grant for 446 hectares (approximately 1-3/4 sq. miles) is held at Berg Aukas. Exclusive prospecting rights over five areas totalling 177,671 hectares (approximately 686 sq. miles) are held within the original so-called Damaraland Grant. Sixty-nine prospecting claims are held in various areas."³⁹

26. The Damaraland Concession, granted in 1982, consisted of exclusive mining rights over 22,000 square miles (57,000 square kilometres). The South African régime recognized SWACO's continued rights in respect of the so-called Damaraland Grant. The company's mining grant in respect of the Berg Aukas mine, opened in 1924, was extended initially until 1936, and subsequently renewed at five-year intervals until 1966, when the total size of the grant area, reduced to 3,000 sq. miles (7,800 square kilometres), was further reduced in size to the present concessions held by SWACO. There is no information on the duration of the present mining rights, although, as the concession area has been reduced, it might be expected that the duration of the rights has been extended. One source not connected with the com-

pany indicated, but without documentation, that the mining rights were extended in 1966 to the year 2016.⁴⁰

27. The Berg Aukas vanadium, lead and zinc mine ceased underground production in 1978, but maintained processing of surface dumps until 1982.⁴¹ Further information on this mine and the operations of Gold Fields Namibia can be found in the Consolidated Gold Field Section of this book (Part one, Chapter IV).

(c) *Prospecting*

28. Mining rights include seven proclaimed areas in the Brandberg West, Cape Cross, Otjivalunda, Otavi and Grootfontein districts. About 69 prospecting claims are held in various areas.⁴² With respect to exploration and prospecting activities, SWACO's rights over some of the areas it holds were ceded to Tsumeb Exploration Co. The ceded area contain vanadium-bearing deposits in which SWACO retained its full rights.⁴³ Tsumeb operates jointly with SWACO in the areas it was given to operate. In addition, Gold Fields Namibia and SWACO have their own exploration activities in the Brandberg West, Abenab, Baltika-Kupferberg and the Berg Aukas areas.⁴⁴

(d) *Production*

29. At the Berg Aukas lead, vanadium and zinc mine, an expansion programme was completed in 1970. The plant provided for an increased concentrator capacity of 50,000 metric tonnes. In addition, a Waelz Kiln installation was opened to process zinc concentrates, operated by Kiln Products Ltd. The zinc oxide is sold after processing for refining to the Zinc Corporation of South Africa Limited which is controlled by Gold Fields South Africa. The zinc is supplied to the Springs, Transvaal Electrolytic Processing Plant.⁴⁵ Table 3 shows the total tonnage of concentrates produced between 1971 and 1975.

30. Lead vanadates and zinc silicates produced were of a lower quality. The ore milled in 1974, totalled 135,000 tonnes. The vanadium grade was 0.7 per cent, lead 4.2 per cent and zinc 13.8 per cent. By the end of 1975, the total ore produced was 172,300 tonnes.⁴⁷

31. The Brandberg West tin and wolfram mine, which had been closed in 1973 because of the depressed market price, was brought back to production in 1976.⁴⁸ The Berg Aukas mine ceased underground production in 1978, but continued to process surface dumps of ore until 1982.

TABLE 3. CONCENTRATES PRODUCED, BERG AUKAS MINE, 1971-1975
(Metric tonnes)

	1971	1972	1973	1974	1975
Lead vanadates.....	8 197	5 577	5 576	8 348	5 771
Zinc/lead supplies.....	7 319	11 089	7 907	12 650	13 092
Zinc silicates.....	23 674	23 692	27 930	28 710	22 910
Tin/wolfram.....	595	635	225	—	—
TOTAL	39 785	40 987	42 638	50 708	41 773

(e) *Export information*

32. The recipients of Kiln Products Limited and SWACO's products are South Africa, Britain and the Federal Republic of Germany. Although most of the zinc was taken to South Africa, a significant amount of lead and vanadate concentrates are shipped from Walvis Bay to Hamburg, Federal Republic of Germany.⁴⁹ Smelting takes place at the Hamburg plant owned by the Norddeutsche Affinerie.⁵⁰ The Brandberg West tin and the products from Berg Aukas generally go to be processed in Transvaal, South Africa.

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II. ANGLOVAAL LIMITED

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Anglovaal Limited.
<i>Namibian subsidiaries:</i>	1. Anglovaal South West Africa; 2. Irving and Johnson; 3. South Atlantic Corporation.
<i>Registered office:</i>	Anglovaal House, 56 Main Street, Johannesburg 2001.
<i>Telephone number:</i>	(011) 838-8011.
<i>Date incorporated:</i>	1 June 1933 in Pretoria as Anglo-Transvaal Consolidated Investment Ltd. Name changed to Anglovaal Limited on 30 November 1981.
<i>Bankers:</i>	Barclays Bank.
<i>Rank by assets in field of operation:</i>	One of the top seven Mining Houses of South Africa.
<i>Total number of employees:</i>	8,415 as at 30 September 1982.
<i>Total number of shares:</i>	30,000,000.
<i>Shareholder information:</i>	B. E. Hensor and C. S. Menell hold a joint interest of 51.34 per cent. ¹

2. Operations

1. Anglovaal Limited was incorporated on 1 June 1933, in Pretoria, South Africa, as Anglo-Transvaal Consolidated Investment Company Limited. Its name was changed to Anglovaal Ltd on 20 November 1981.²

2. Anglovaal is the smallest of the South African mining houses and has extensive industrial and commercial interests. The corporation controls five gold mines

and it is South Africa's largest manganese producer.³ Anglovaal has a substantial stake in the Consolidated Murchison antimony mine at Prieska in northern Cape Province. The Prieska copper mine was jointly developed with the United States Steel Corporation.⁴ In addition to the Prieska Mine, U.S. Steel combined with Anglovaal in developing and expanding these mines: Atok Platinum, Zeerust Chrome, and Associated Manganese.⁵ In 1977, Anglovaal sold the Atok Platinum Mine to Rustenburg.

3. Anglovaal is a financial investment and holding company with widespread interests in mining, finance and industry. Since 1970, Anglovaal has accelerated its diversification programmes. It is involved in exploration and prospecting for mineral deposits, and in industrial engineering, manufacturing and smelting. In 1971, Anglovaal, Anglo American, Selection Trust, Amax, De Beers, International Nickel, Société le Nickel, Union Carbide and Johannesburg Consolidated were actively involved in prospecting for diamonds, oil, gold and other minerals in Namibia, Botswana, South Africa and Zimbabwe.⁶

3. Structure of corporation

4. Anglovaal Ltd is a major South African financial, mining and industrial group. The Anglovaal group pursues a policy of diversification and operates mainly in the fields of precious and base metals mining and beneficiation, building, exploration, construction, engineering, finance, food, packaging and textiles. Several major companies in the Anglovaal group have gone on major joint ventures with international conglomerates such as Anglo American Corporation of South Africa, Rio Tinto-Zinc, Union Carbide, Shell, Mobil Oil and Lonhro.⁷ Table 1 lists 33 companies in which Anglovaal Ltd has interests.

4. Economic information

5. The nature of Anglovaal Limited involvement in Namibia is mining, exploration, finance, food and construction. Table 2 summarizes its financial status from 1974 to 1982.

B. SUBSIDIARIES OPERATING IN NAMIBIA

1. Basic data

<i>Names of subsidiaries:</i>	1. South Atlantic Corporation Ltd; 2. Anglovaal South West Africa; 3. Irving and Johnson (SWA) Ltd.
<i>Address in Namibia:</i>	South Atlantic Corporation Ltd, 8th Floor United House, Kaiser Street, Windhoek.

Date established: 1950.
 Bankers: Standard Bank.
 Shareholder information: 68 per cent owned by Anglovaal Ltd.⁸

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES,
ANGLOVAAL LIMITED

Subsidiary	Percentage owned by parent
Bitumat Ltd (Zimbabwe).....	—
Eastern Transvaal Consolidated Mines Ltd.....	—
Hartebeestfontein Gold Mining Co. Ltd.....	—
Lorraine Gold Mines Ltd.....	—
Village Main Reef Gold Mining Co. Ltd.....	—
Consolidated Murchison Ltd.....	—
Associated Manganese Mines of S.A. Ltd.....	—
Feralloys Ltd.....	—
Prieska Copper Mines (Pty) Ltd.....	—
Middle Witwatersrand (Western Areas) Ltd.....	52
Anglo-Transvaal Industries Ltd.....	—
Avgrin Holdings Ltd.....	61
Avtex Holdings Ltd.....	—
Bakers South Africa Ltd.....	—
T. W. Beckett and Co. Ltd.....	—
Cerebos Food Corp. Ltd.....	—
Concentra Ltd.....	—
Irving and Johnson Ltd.....	—
Consol Ltd.....	—
Anglo-Alpha Ltd.....	56
Claude Neon Lights S.A. Ltd.....	—
Grinaker Holdings Ltd.....	—
Globe Engineering Works Ltd.....	—
National Bolts Ltd.....	—
Denver Metal Works (Pty) Ltd.....	—
Norcare Holdings.....	—
Steel Metals Ltd.....	73
Risa Investment (Pty) Ltd.....	—
South Africa Fine Worsteds (Pty) Ltd.....	—
Combine Cargo Ltd.....	—
Triestel Holdings (Pty) Ltd.....	80
Denver Metal Works.....	—
Nail and Chain Ltd.....	—

Source: Johannesburg Stock Exchange, 1982.

TABLE 2. FINANCIAL SUMMARY, ANGLOVAAL LIMITED
(Millions of rand)

Economic data	United Nations Decree No.1 1974	1978	1980	1982
Total assets.....	1.25	2.8	—	—
Gross revenues.....	—	—	2.813	—
Income before taxes.....	—	1.04	2.78	—
Taxes.....	—	—	0.23	—
Net income after taxes...	—	—	2.76	—
Long-term debt.....	—	—	—	64

Source: Johannesburg Stock Exchange, 1982; *Facts Investors Guide*, 19 June 1981; Anglovaal Holding Ltd, *Annual Report*, 1981.

2. Summary of operations

6. The South Atlantic Corporation Ltd is a wholly owned subsidiary of Anglovaal Limited of South Africa.⁹ South Atlantic is a holding finance company which owns 57 per cent of Irving and Johnson and 100 per cent of Anglovaal South West Africa.¹⁰ South Atlantic provides the finance and management of both its subsidiaries. Its ultimate holding company is Anglovaal Holdings Ltd. Table 3 shows its assets and long-term debt.

7. Irving and Johnson (SWA) Ltd is a fish-processing and distribution corporation registered in Windhoek. Irving and Johnson (SWA) Ltd in turn has its own wholly owned subsidiaries which include Protea Fish Products (Pty) Ltd (100 per cent) and Hensen and Dent (Pty) Ltd. Irving and Johnson has had a major interest in the whitefish deep-sea trawling industry since 1957. The company also has non-Namibian subsidiaries operating in Zimbabwe, South Africa, Swaziland, United Kingdom and Australia.¹¹

8. In Namibia, the Protea Fish Products (Pty) Ltd are whitefish packers, freezers and curers. The company was converted into a public company, Protea Fish Products Ltd on 5 December 1978.¹² Hansen and Dent, which is a fish processor and distributor, also had its name changed to Kuiseb Fish Products Ltd.¹³

9. South Atlantic Corporation Ltd and Irving and Johnson are interested in fresh and processed fish, vegetable processing, distribution of wet fish, frozen food and confectioneries. Instead of decreasing their activities and moving to Chile as some other fishing corporations have done, South Atlantic Corporation and Irving Johnson are expanding their economic activities in Namibia. Anglovaal Holdings through Atlantic Corporation is expected to move some of its bakeries to Namibia. Anglovaal Bakers Ltd, which currently operates in South Africa only, is expected to open bakeries and fish and chips fast-food shops in 1986.¹⁴

10. No employment information on the South Atlantic Corporation Ltd is available.

3. Economic activities

(a) Prospecting

11. South Atlantic Corporation Ltd's exploration activities are being done jointly with Anglovaal South West Africa.¹⁵ Exploration has been done in conjunction with Rio Tinto-Zinc and Elf Aquitaine, Johannesburg Consolidated Investments and Superior Oil.

12. Anglovaal is the largest producer of manganese in South Africa. It prospected for manganese, gold and oil in collaboration with both SASOL and SOEKOR in both South Africa and Namibia.¹⁶ The results have been disappointing.¹⁷

(b) Fishing

13. The South Atlantic Corporation Ltd and the Irving and Johnson Ltd have not released figures of fish

TABLE 3. FINANCIAL SUMMARY, SOUTH ATLANTIC CORPORATION, 1971-1982
(Millions of rand)

Economic data	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981	1982
Total assets	30.5	53	56.1	67	75.9
Long-term debt.....	6.3	7.8	12.5	10	15

Source: Johannesburg Stock Exchange, 1982.

catches they have made in Namibian waters. Their last official reports have provided figures for fishes caught in South African waters.

(c) *Agriculture*

14. Anglovaal Foods presently grows most of its food in South Africa. There are plans to commence production in Namibia in 1986.¹⁸

(d) *Export information*

15. The South Atlantic Corporation and Irving and Johnson Ltd export most of their frozen fish to South Africa and some of this found its way to Zimbabwe. There are no available official statistical data about the amount of fishes each company exports. There is, however, evidence that most of the Namibian fish is exported to Western Europe, South America, Japan and North America.

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III. BANK HOLDING CORPORATION OF SOUTH AFRICA LTD

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A. PARENT CORPORATION

1. *Background*

<i>Name of parent:</i>	Bank Holding Corporation of South Africa Ltd (BANKORP).
<i>Namibian subsidiary:</i>	Trust Bank of Africa.
<i>Registered office:</i>	BANKORP, 31st Floor, Sanlam Centre, Jeppe Street, Johannesburg 2001.
<i>Date incorporated:</i>	June 1981.
<i>Bankers:</i>	BANKORP.
<i>Rank in field of operation:</i>	Assets of R 3,459,467,000; it is among the top five large banks in South Africa as of 1982.
<i>Shareholder information:</i>	IDC has 7.1 per cent interest in BANKORP; FVB has 6.1 per cent interest; Assura has 7.3 per cent and South Africa National Life Assurance has 51.2 per cent. ¹

2. *Operations*

1. The Bank Holding Corporation of South Africa Ltd—the holding company for the Trust Bank of Africa—is controlled by the South African National Life Assurance.²

2. It is a full-fledged Bank which is controlled by Afrikaner interests. BANKORP is a holding company whose subsidiaries provide the following services: full range of commercial banking services; hire-purchase; leasing and block-discounting facilities; full range of merchant banking services; participation on mortgage bond investment and mortgage facilities; unit trust investment; full range of trust services; full range of build-

ing society services; corporate leasing and suspensive sale financing; entertainment; card and travel facilities. Its base of operation is a little broader. Although it is an Afrikaner-owned bank, it tries to incorporate investments in all white business areas. BANKORP is also expanding internationally although it is the slowest growing Bank.³

3. *Structure of corporation*

3. BANKORP is an investment holding company which has as its subsidiaries some of the following: Central Merchant Bank Ltd (SENBANK); Santam Bank Ltd; and the Trust Bank of Africa. Table 1 lists eight. In addition to its banking activities, BANKORP is involved in property leasing, management and brokering. It also specializes in liquidating and executing of properties and deeds.⁴

TABLE 1 MAJOR NON-NAMIBIAN SUBSIDIARIES, BANK HOLDING CORPORATION OF SOUTH AFRICA

<i>Subsidiary</i>	<i>Percentage owned by parent</i>
Santam Bank Ltd.....	100
Merchant Bank Ltd	63.6
Mondorp Ltd Property Co.....	100
Central Merchant Bank Ltd	100
RSA Faktors Ltd (Factoring and debt collection company).....	100
Santamtrust	100
Central Registrars Ltd	100
Sanewa Insurance Brokers Ltd.....	100

Source: Johannesburg Stock Exchange, 1982.

4. *Economic information*

4. The nature of The Bank Holding Corporation involvement in Namibia is banking, finance, investment and properties. Table 2 summarizes its financial status from 1971 to 1982.

B. SUBSIDIARY OPERATING IN NAMIBIA

1. *Basic data*

<i>Name of subsidiary:</i>	Trust Bank of Africa Ltd.
<i>Address in Namibia:</i>	Trust Bank of Africa, Swabank, Windhoek.
<i>Date established and operations commenced:</i>	1965.
<i>Bankers:</i>	BANKORP.
<i>Common stocks:</i>	55.2 per cent held by BANKORP.

TABLE 2. FINANCIAL SUMMARY, BANK HOLDING CORPORATION OF SOUTH AFRICA
(Millions of rand)

Economic data	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981	1982
Total assets	1 900	2 500	3 000	3 200	3 400
Net income after taxes	—	—	—	—	36.5
Long-term debt	11	16.3	15	18	2.4

Source: Trust Bank, *Economic Roundup*, June 1982.

Shareholders of subsidiary:

Company	Percentage held
Industrial Development Corporation (South Africa)	7.3
Federale Volksbeleggings Bpk (South Africa)	6.1
Assura Ltd	7.3

2. Summary of operations

5. The Trust Bank of Africa Ltd otherwise known as Trust Bank van Suidwes Afrika Bpk is a corporation owned and managed by Bank Holding Corporation of South Africa.⁵ It is involved in banking, finance and investments.

6. Like Volkskas it gears its business operations in Namibia to the local and South African whites. Loans, mortgages and properties handled by the Trust Bank of Africa are for whites.⁶ Table 3 shows its assets and long-term debts.

7. Within Namibia it has problems of getting non-Afrikaner controlled large mining corporations like Rio Tinto-Zinc, Anglo American, Gold Fields South Africa and others. These corporations lend back their money or transact business mostly with European and American banks. The bank is working hard to get the business of non-Afrikaners.⁷

TABLE 3. FINANCIAL SUMMARY, TRUST BANK OF AFRICA LTD, 1974-1982
(Millions of rand)

Economic data	United Nations Decree No. 1 1974	1978	1981	1982
Total assets	394.5	501.0	578.0	647.5
Long-term debt	600	893	1 000	1 200

Source: Johannesburg Stock Exchange, 1982.

8. The Trust Bank of Africa has little contact with the Africans—except menial labourers. Despite the difficulties in acquiring non-Afrikaner capital, the bank has continued its slow course of development.⁸

9. BANKORP also owns one other subsidiary in Namibia, Trust Express (Windhoek) (Edns) Bpk.⁹ No additional information is available on this.

3. Economic information

(a) Banking and insurance

10. Although and Trust Bank of Africa is one of the largest banking corporations operating in Namibia, its statistical data regarding Namibian accounts is combined with the BANKORP annual report figures. Information released by BANKORP and the South Africa régime hardly supplies the needed materials. Insurance data released by BANKORP merely outlines companies that are operating there.

(b) Employment conditions

11. Like Volkskas, the Trust Bank of Africa does not have skilled Africans working in the bank. The unskilled who do menial jobs are hardly discussed by the corporation. The main programmes they claim to have for the future are a training workshop for Africans, which they want to start by 1985.

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IV. BARLOW RAND LTD

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Barlow Rand Ltd.														
<i>Namibian subsidiaries:</i>	1. Thomas Barlow and Son (SWA) Ltd; 2. Atlantic Sales Ltd; 3. South West Africa Fishing Industries Ltd (SWAFIL); 4. United Fishing Enterprises.														
<i>Registered office:</i>	Barlow Park, Katherine Street, Sandton 2196, South Africa.														
<i>Telephone number:</i>	(011) 786-3470.														
<i>Date incorporated:</i>	29 August 1981, South Africa, as Thos. Barlow and Sons (SA).														
<i>Bankers:</i>	1. Charter, and 2. Barclays Bank														
<i>Rank in field of operation:</i>	Assets of R 3,507 million; the Rand Group is the sixth largest mining house in southern Africa.														
<i>Total number of employees:</i>	236,266 including 86,448 associates as of 30 September 1982.														
<i>Total number of shareholders:</i>	23,348 as of 30 September 1982.														
<i>Shareholder information:</i>	<table> <tr> <td>Total shares issued</td> <td>107,496,619</td> </tr> <tr> <td>Anglo American</td> <td>8,620,420</td> </tr> <tr> <td>S.A. Mutual Life Assurance.....</td> <td>7,569,609</td> </tr> <tr> <td>De Beers.....</td> <td>763,744</td> </tr> <tr> <td>Fugit.....</td> <td>720,000</td> </tr> <tr> <td>S.A. Breweries</td> <td>637,516</td> </tr> <tr> <td>De Beers Industrial..</td> <td>200,100</td> </tr> </table>	Total shares issued	107,496,619	Anglo American	8,620,420	S.A. Mutual Life Assurance.....	7,569,609	De Beers.....	763,744	Fugit.....	720,000	S.A. Breweries	637,516	De Beers Industrial..	200,100
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S.A. Mutual Life Assurance.....	7,569,609														
De Beers.....	763,744														
Fugit.....	720,000														
S.A. Breweries	637,516														
De Beers Industrial..	200,100														

2. Operations

1. Barlow Rand Ltd was incorporated in South Africa on 29 August 1918, as Thos. Barlow and Sons (S.A.) Ltd as successor to a business established in 1902.

The present name was adopted on 28 June 1971, upon the merger of Rand Mines Ltd.² On 29 March 1976 the former managed associate, the Northern Lime Company Ltd became a wholly owned subsidiary by way of a scheme of arrangement on the basis of two Barlow Rand shares for one Northern Lime share. Other acquisitions during fiscal year 1976 were minimal. The group increased its holding in managed associate Pretoria Portland Cement Co. Ltd from 20 per cent to 31.6 per cent.³ A 51 per cent interest was acquired in Telerama Rediffusion Holdings (Pty) Ltd and the outstanding 24 per cent interest in Oshkosh Africa (Pty) Ltd was also acquired.⁴

2. During 1977, Pretoria Portland Cement Co. Ltd became a 53.7 per cent subsidiary, and C.J. Fuchs and Barlow Packaging Investments Ltd became a wholly owned subsidiary. Barlow Packaging became wholly owned following the purchase of 50 per cent of the interest previously held by Weyerhaeuser International Inc. In fiscal year 1978, it acquired 50 percent interest in GEC South Africa (Pty) Ltd and 55 per cent in Nampak Ltd.⁵

3. Of Barlow Rand's total assets, 16 per cent are employed in the mining and exploration division which contributed 81 per cent of turnover in 1981 and 18.3 per cent of group operating profit. With effect from 1 July 1981, Transvaal Consolidated Land and Exploration acquired the group's shareholding in Rand Mines Properties in exchange for additional shares in TCL. Rand Mines Milling and Mining Co. is erecting a plant to recover gold from sand dumps at Crown Mines.⁶

4. Witbank Colliery operates five collieries and the Duvha open-cast mine and has a 23.8 per cent share of the inland and export trade of the Transvaal Coal Owners Association. Welgedracht Exploration operates four coal mining sections in northern Natal. General Mining Corporation's offer in 1981 to acquire additional shares in the asbestos group interests were approved.⁷ The group is divided into the following divisions: mining and exploration; cement and lime; electrical and general engineering; earth-moving equipment; ferro-alloy and stainless steel manufacture; building materials and steel distribution; paint and allied products; mechanical handling equipment; engineering supplies and motor vehicles; household appliances and electronics; sugar and chemicals; floor coverings and textiles; packaging, property, administrative and financial services.⁸

5. At the end of 1981, Barlow Rand acquired a 53 per cent interest in C.G. Smith (that interest was subsequently increased to 65 per cent).⁹ In 1982, Barlows, through C.G. Smith, embarked on a major expansion programme that resulted in C.G. Smith acquiring 79 per

cent interests in Tiger and Sugar Holdings, which in turn holds a 53 per cent interest in Tiger Oats and National Milling Company.¹⁰ These acquisitions lead to a sharp change in Barlows structure from a largely mining, engineering and electronics organization to a group in which mining represented 14.3 per cent of assets and sugar, food, and textiles represented 33.1 per cent of assets.¹¹

6. The acquisition of Tiger Oats National Milling Company in 1982, led to a sharp increase in Barlow Rand's operations in Namibia. Tiger Oats National Milling Company holds a 97 per cent interest in United Oceana Holdings which in turn has substantial holdings in the Namibian fishing industry. The structure of the group as relates to these acquisitions is as follows:¹² Barlow Rand owns 65 per cent of C.G. Smith which owns 79 per cent of Tiger and Sugar Holdings which owns 53 per cent of Tiger Oats National Milling Company which owns 97 per cent of United Oceana Holdings.

3. Structure of corporation

7. Barlow Rand Ltd is the parent of a large and diversified group embracing some 300 operating companies engaged in mining, primary and secondary manufacturing, merchandising, agriculture and properties. Although its main activities are in South Africa, it also has active interests in Namibia, Zimbabwe, Botswana, Swaziland, United Kingdom, United States of America, Belgium, Federal Republic of Germany and Brazil.¹³ Table 1 lists 23 subsidiaries.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, BARLOW RAND LTD

Subsidiary	Percentage owned by parent
Rand Mines Ltd.....	100
Thomas Barlow Holdings Ltd (London).....	60
Transvaal Consolidated Land and Exploration Co. Ltd.....	63
Welgedacht Exploration Co. Ltd.....	45
Witbank Colliery.....	45
Pretoria Portland Cement Co. Ltd.....	53
Middleburg Steel and Alloys (Pty) Ltd.....	72
GEC South Africa (Pty) Ltd.....	50
Barlows Heavy Engineering Ltd.....	100
Federated Timbers Ltd.....	100
Robor Ltd.....	100
Barlows Manufacturing Co. Ltd.....	100
C. G. Smith Ltd.....	65
Romatex Ltd.....	30
Rand Mines Properties Ltd.....	47
Henry Gould (Pty) Ltd.....	63
Millsell Chrome Mines (Pty) Ltd.....	63
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4. Economic information

8. The nature of Barlow Rand Ltd involvement in Namibia is mining, manufacturing, agriculture, property and other interests.¹⁴ The Barlow Rand Group represents on a sole distributor basis, the interests of General Motors, Hyster, Massey-Ferguson, National Radio, Frigidaire, Kelvinator, Caltex, Caterpillar, Goodyear, and Sunbeam throughout Namibia.¹⁵ Table 2 summarizes its financial status from 1978 to 1982.

TABLE 2. FINANCIAL SUMMARY, BARLOW RAND LTD (Millions of rand)

Economic data	1978	1981	1982
Total assets.....	1 790	3 507	—
Gross revenues.....	1 624	4 572	6 829
Income before taxes.....	214	653	669
Taxes.....	80	232	254
Net income after taxes.....	—	421	451
Shareholder equity.....	727	—	—
Long-term debt.....	226	440	843.5

Source: *Facts' Investor Guide*, June 1981; Barlow Rand, *Annual Report*, 1982.

B. SUBSIDIARIES OPERATING IN NAMIBIA

1. Through Atlantic Sales and Thomas Barlow and Sons

Names of subsidiaries:	1. Atlantic Sales Ltd; 2. Thomas Barlow and Sons Ltd.
Addresses in Namibia:	1. Atlantic Sales Ltd, Walvis Bay, Namibia; 2. Thomas Barlow and Sons Ltd, Windhoek, Namibia.
Bankers:	Barclays.
Shareholder information:	100 per cent owned by Barlow Rand.

*Atlantic Sales and Thomas Barlow own 100 percent in the following subsidiaries in Namibia.*¹⁶

Barswa Motors
Robor South West
Barsigma (Toyota Mazda)
Bar Peugeot
SWA Tractor Co. Ltd
Rudolf Shuster Ltd and Versi-Struct
Barlow (SWA) Tractor Co.

9. Automobile and agricultural machinery transnational corporations are largely represented in Namibia on an agency basis. The most prominent of the agencies is the giant industrial conglomerate, the Barlow Rand Group of Companies, based in South Africa. In Namibia, its main subsidiaries are the Atlantic Sales Ltd and Thomas Barlow and Sons Ltd as the holding company. Barlow Rand Limited and Atlantic Sales Ltd own the following companies in Namibia: Plascom-Evans Paints, Robor South West, SWA Tractor Company, Bar Peugeot, Masigma (Toyota, Mazda), Rudolf-Shuster Ltd, Versi-Struct and Barswa Motors. The Barlow Rand

Group of Companies is the sole distributing agent to represent the interests of General Motors, Hyster, Massey-Ferguson, National Radio, Caterpillar, Caltex, Frigidaire, Kelvinator, Goodyear and Sunbeam.¹⁷

10. Barlow Rand also holds a small number of shares in two other companies that operate in Namibia: South West Africa Portland Cement (Pty) Ltd and Walvis Bay Container Co. (Pty) Ltd.¹⁸ In addition to these companies, through its interest in Tiger Oats National Milling Company, Barlows holds an interest in United Oceana Holdings fishing operations in Namibia (for further information see United Oceana Holdings next section).

11. No further economic or employment information is available.

2. Through Tiger Oats National Milling Company

(a) Basic data

<i>Names of subsidiaries:</i>	Sea Products (SWA) Ltd (SEASWAS); South West Africa Fishing Industries Ltd (SWAFIL); African Canning Co. (SWA) Ltd; Lurie's Canning Factory Ltd; Lüderitz Bay Canning Ltd; Oceana Fishing Co. Ltd; United Fishing Enterprises; and Bremond Fishing Industries. ¹⁹
<i>Addresses in Namibia:</i>	1. Sea Products (SWA) Ltd, Insel Street, Box 15, Lüderitz; 2. Bremond Fishing Industry, First Street, Box 63, Walvis Bay.
<i>Telephone numbers:</i>	(SEASWAS) Lüderitz 2815; (Bremond) Walvis Bay 2376.
<i>Bankers:</i>	Barclays.
<i>Shareholder information:</i>	The following listing shows some of the complex interrelationships that exist between these companies and Oceana Holdings. ²⁰ Tiger Oats National Milling interest in: United Oceana Holdings—97 per cent United Oceans Holdings interest in: Sea Products SWA—53 per cent SWAFIL—21.3 per cent Sea Products SWA interest in: Luderitz Bay Canning Ltd—50 per cent African Canning Co.—50 per cent Luries Canning Factory—50 per cent Oceana Fishing Co. Ltd—50 per cent United Fishing Enterprises—30 per cent SWAFIL interest in: Luderitz Bay Canning Ltd—50 per cent African Canning Co.—50 per cent Luries Canning Factory—50 per cent Oceana Fishing Co. Ltd—50 per cent United Fishing Enterprises—33 per cent United Fishing Enterprises interest in: Bremond Fishing Industries—100 per cent

(b) Summary of operations

12. The fishing operations of United Oceana Holdings in Namibia are concentrated in Lüderitz and Walvis Bay. Oceana's Sea Products subsidiary holds interests primarily in the inshore fishing industry. Sea

Products transferred its registered office from Walvis Bay to Lüderitz in 1978 after South Africa's formal annexation of Walvis Bay.²¹

13. Sea Products activities in Lüderitz have been consolidated under one roof into small rock lobster processing operations that encompassed the activities of four companies: Lüderitz Bay Canning Ltd, African Canning Company, Lurie's Canning Factory, and Oceana Fishing Limited. No further information is available on production levels at these factories.

14. The parent, major corporations in Namibia are at the Bremond Fishing Industries factory at Walvis Bay. The factory was not in production in 1979 because of the depressed state of the fishing industry and, at that time, its main activities were centering on labelling and packing.²² By 1983, the factory was back in the pilchard canning business although no information on quotas allocated is available.²³

15. The following tabulation reflects the financial status of Sea Products (SWA) Ltd in 1978 (from *Fact's Investors Guide*, June 1981):

<i>Aspect</i>	<i>(millions of rand)</i>
Total assets.....	17
Gross revenues.....	6.94
Taxes.....	1.28
Net income after taxes.....	2.77
Shareholder equity.....	16.5
Long-term debt.....	1.12

16. Sea Products (SWA) Limited is involved in catching anchovies, pilchards and rock lobsters. Statistical data on the volume of fish caught, canned and exported are not provided.

17. Rock lobster tails, pilchards, anchovies are exported to the United States, Japan and Western Europe through Walvis Bay. Data on amounts of canned fish exported are not provided.

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8. See reference 2.
9. *Financial Mail*, "Top Companies", May 6, 1983, p. 29.
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19. *South West Africa and Walvis Bay, Telephone Book 1981/ 82*; and Moorsom, *Exploiting the Sea*, CIIR: London, 1984, p. 52.
20. Table taken from, Richard Moorsom, *Exploiting the Sea*. CIIR: London, 1984, p. 52, with additional information from *South West Africa and Walvis Bay Telephone Book 1981/ 1982* and *Financial Mail*, 20 May 1983.
21. UNCTC: *Role of Transnational Corporations in Namibia*, p. 130.
22. Michael Matlon "Namibia Fishing Plunder", p. 33, and *Financial Mail*, "Namibia Survey" 22 July, 1983.
23. See reference 1, p. 317.

V. DE BEERS CONSOLIDATED MINES OF SOUTH AFRICA/NAMIBIA

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	De Beers Consolidated Mines of South Africa/Namibia.
<i>Namibian subsidiary:</i>	Consolidated Diamond Mines.
<i>Registered office:</i>	36 Stockdale Street, Kimberley, P.O. Box 616, Kimberley, 8300, South Africa
<i>Telephone number:</i>	(531) 22171.
<i>Date incorporated:</i>	13 March 1888.
<i>Location other than registered office:</i>	Cape Town, South Africa.
<i>Bankers:</i>	1. Standard Bank of South Africa, and 2. Barclays Bank.
<i>Rank by assets in field of operation:</i>	De Beers Consolidated Mines of South Africa is the world's largest producer of diamonds.
<i>Total number of employees:</i>	6,837.
<i>Total number of shareholders:</i>	59,400. (31 December 1981.)
<i>Shareholder information:</i>	De Beers Consolidated Mines Ltd is a member of the Anglo American Group. Anglo American owns 31.5 per cent of its equity interest. ¹ Other than Société Interprofessionnelle pour la Compensation des Valeurs Mobilières (SISCOVAM), no shareholder is registered as holding 5 per cent or more of the share capital of De Beers. ²

2. Operations

1. De Beers, the largest diamond mining company in the world, and seventh largest company in South Africa, is a member of the Anglo American empire. Anglo American Corporation of South Africa owns about 30 per cent of De Beers Consolidated Mines Ltd. Until recently, Harry Oppenheimer was the Chairman of both De Beers and Anglo American Corporation of South Africa. Although Gavin W. Rely is now the Chairman of Anglo American, Harry Oppenheimer continues to be Chairman of the De Beers Consolidated Mines.

2. Since 1888, De Beers has been phenomenally successful in regulating the production of diamonds and in maintaining high prices. In 1888, before the amalgamation, the price of diamonds was twenty shillings and six pence per carat (20s. 6d); while by 1920, despite much increased production, the price had risen to one hundred and thirteen shillings and eleven pence (113s. 11d) per carat. This was a considerable achievement because world production had reached 3,400,000 carats by 1919, with augmentation from new diamond producers in the Belgian Congo and Angola. After the first World War, the market was flooded with cut diamonds from Russia because the new revolutionary government was selling confiscated jewellery to raise foreign exchange. The South African producers bought up the diamonds and cut their own output by 64 per cent. Market and price stability were preserved, but the existing marketing arrangements remained vulnerable.³

3. Having recognized their vulnerability in the face of a strong challenge, De Beers began to find alternatives to protect its existing marketing arrangements with the London buying syndicate. Ernest Oppenheimer immediately commenced to reorganize and restructure the diamond trade. First, he eliminated the possibility of future conflict by integrating both buyers and producers into one organization. South African diamond producers were integrated through a series of share swaps by which Anglo American and Barney Barnato transferred their diamond interests to De Beers in return for a sizeable stake in De Beers itself. Oppenheimer set up a new and enlarged syndicate. The Diamond Corporation, as it was called, came into existence in 1930, and it signed long-term contracts with diamond producers outside South Africa. The Diamond Corporation was registered in South Africa as a private company free of any obligation to publish its accounts or to reveal its profits and losses. De Beers was given the right to appoint the chairman.⁴

4. The new company was designed in order to allow control over production and marketing through a single

channel. To these he added a new one - the producers should own the selling organization. To prevent future conflicts with the régime of South Africa and its administration in Namibia, Oppenheimer persuaded the two to become members of the Diamond Producers Association in 1934. De Beers now increased its control by taking substantial equity stakes in all the major South African diamond-producing companies, and, together with the Anglo American Investment Trust (ANAM-INT), it bought shares in major foreign producers. The design was complete. The resultant De Beers monopoly of world diamond production and marketing has survived with only minor alterations to the present.⁵

5. To maintain orderly marketing and to prevent the wild fluctuations in supply and demand from which most primary commodities suffer, De Beers keeps supplies in step with demand. Production in South Africa and Namibia is co-ordinated by the Diamond Producers Association, managed by a board of five of which three members are appointed by the mining companies and the Diamond Corporation, and two by the South African régime. (The charter calls for one representative of the South African régime and one representative of the illegal régime in Namibia—a meaningless nicety.) The chairman is appointed by the South African régime. This association is dominated by De Beers, and the South African régime would intervene only in exceptional cases, such as those which led to the inclusion of the Pretoria régime in the first place.⁶ Production is controlled by a quota system. The level of the quotas is adapted to the sales of the Central Selling Organization (CSO). Production outside South Africa is controlled by the contracts that independent producers have signed with the Diamond Corporation. The basis of these contracts, which usually run for five years, is that the Diamond Corporation agrees to buy a minimum quantity of rough diamonds annually. Whether the corporation will buy more is dependent on the level of world sales. If a company or mine produces more diamonds than the Diamond Corporation is prepared to buy, the contract stipulates that the producer must stockpile the excess. It is not allowed to sell to any buyers other than the Diamond Corporation.⁷

6. The CSO, in pursuing its policy of adjusting supplies of rough diamonds to the cutting centers to demand for polish stones in the consumer markets, has continued to stock diamonds. At the same time it has significantly increased expenditure on the promotion of diamonds in jewellery.

7. Sales of industrial diamonds declined marginally in 1981. This decline reflected the world recession in industrial activity. The sales of natural industrial diamonds continued to be affected by the growth in demand for the top quality synthetic products. Despite increased pressure from new manufacturers of synthetic grit, sales by the De Beers group rose satisfactorily.⁸ There was also an increase in sales in two new composite products, syndite and amborite.

3. Structure of corporation

8. De Beers is connected to the Anglo American group through Anglo's 52 per cent owned subsidiary, Anglo American Investment Trust. De Beers owns and operates 16 mines in South Africa, Namibia, Botswana and Lesotho. In Botswana and Lesotho, these mines are operated in partnership with the respective governments. The principal activities of the De Beers group are in the mining of natural diamonds, the manufacture of synthetic diamonds and related raw materials, the marketing of diamonds produced by the group and other producers, and the management of a portfolio of investments outside the diamond industry. Table 1 lists 11 subsidiaries.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, DE BEERS
CONSOLIDATED MINES OF SOUTH AFRICA/NAMIBIA

Subsidiary	Percentage owned by parent
African Explosives Chemical Industry	11.07
Empresas Sudamericanas Consolidadas	10
De Beers Lesotho Mining Company (Pty) Ltd	75
De Beers Botswana Mining Company	—
Minorco	22
Anglo American Corp. of South Africa	6.46
De Beers Industrial Corporation	36.2
De Beers Holding Company	—
Anglo American Industrial Corporation	25
Diamond Purchasing and Trading Company	—
Diamond Trading Company	—

Source: McGregors' *Who Owns Whom*, 1980; Anglo American, *Annual Report*, 1982.

9. In addition to the major holdings listed in table 1, De Beers has interests of unspecified extent in the following:⁹

Consolidated Bultfontein Mines Ltd	Middleburg Steel and Alloys (Pty) Ltd
Finsch Diamonds (Pty) Ltd	Mondi Paper Company Ltd
Dutoitspan Mine Ltd	Northern Cape Brick Company Ltd
De Beers Holding (Pty) Ltd	Shaft Sinkers (Pty) Ltd
De Beers Industrial Corporation Ltd	Turnberry Holdings (Pty) Ltd
Orama Holdings (Pty) Ltd	Union Carriage and Wagon Company (Pty) Ltd
Sea Diamond Corporation (Pty) Ltd	Unionmod Buildings (Pty) Ltd
The Diamond Corporation (Pty) Ltd	Blackbird Investments Ltd
De Beers Industrial Diamond Division (Pty) Ltd	Epoch Investments Ltd
De Beers Industrial Diamonds (South Africa) (Pty) Ltd	Eurango (Pty) Ltd
Premier (Transvaal) Diamond Mining Co. (Pty) Ltd	Flotsam Investments Ltd
Afex Holdings (Pty) Ltd	Small Business Development Corporation Ltd
Anglo American Farms Ltd	Central Reserves (Pty) Ltd
Cardium Holdings Ltd	Consolidated Reserves Ltd
Conway Johnson Ltd	Commonwealth Development Finance Company Ltd
Covenant Industries Ltd	Discount House of South Africa Ltd
Hodgetts Timbers (Pty) Ltd	National Finance Corporation of South Africa
International Pipe and Steel Investments South Africa (Pty) Ltd	Amaprop McCarthy Investments Ltd
Kimberley Engineering Works (Pty) Ltd	Anglo American (O.F.S.) Housing Company Ltd
Mainstraat Beleggings (1965) Bpk	Anglo American Properties Limited-Deferred
	Botsalano Properties Ltd

Carlton Centre Ltd
Creative Homes Ltd
Historical Homes of South Africa
Ltd

Kenilworth Centre Ltd
Main Place Holdings Ltd
Marina da Gama Ltd
West End Property (Pty) Ltd

4. Economic information

10. The nature of De Beers Consolidated Mines involvement in Namibia is diamond mining and exploration. Table 2 summarizes its financial status from 1974 to 1982.

TABLE 2. FINANCIAL SUMMARY, DE BEERS
CONSOLIDATED MINES
(Millions of rand)

Economic data	United Nations Decree No 1 1974	1978	1981	1982
Total assets	656	1 074	1 199.5	—
Gross revenues	—	898	605.8	—
Income before taxes	—	1 157	89	97
Taxes	—	406	3.8	—
Net income after taxes ...	—	—	22	33
Long-term debt	—	136.6	321	464.5

Source: *Facts' Investors Guide*, June 1981; Anglo American Corp., *Annual Report*, 1982; De Beers, *Annual Report*, 1982.

B. SUBSIDIARY OPERATING IN NAMIBIA

1. Basic data

Name of subsidiary:	Consolidated Diamond Mines of South West Africa/Namibia.
Address in Namibia:	CDM (Pty) Ltd, First Floor, Swabank Building, 12-1, 12-10 Bulow Street, Windhoek, Namibia.
Telephone number:	(061) 35061.
Date established and operations commenced:	9 February 1920, in South Africa.
Bankers:	1. Nedbank, and 2. Standard Bank.
Shareholders of subsidiary:	CDM is a wholly owned corporation within the De Beers group of Companies. The CDM group of companies in Namibia includes: Marine Diamond Corporation (Pty) Ltd The South West Africa Finance Corporation (Pty) Ltd Marine Group Investments (Pty) Ltd CDM Prospecting (Pty) Ltd CDM Properties (Pty) Ltd De Beers Services (Pty) Ltd Sea Diamond Services Corporation Tidal Diamonds

2. Summary of operations

11. Consolidated Diamond Mines (CDM) of South West Africa carries out most of the diamond operations in Namibia for the Consolidated Mines of South Africa. CDM of South West Africa makes the largest profit among the diamond mines and is owned by De Beers. The South African régime has two representatives on the powerful Diamond Producers Association. These two

representatives work with others from De Beers in monitoring the production, controlling and marketing of world diamonds.

12. From 1 January 1921, Consolidated Diamond Mines operated in diamond area Number 1 with an exclusive 50-year concession over that part of Namibia. Area Number 1 is known to be the richest diamond area in Namibia. In 1941, the concession was extended for 50 years (until the end of 1990), with a 15 per cent tax on current profits plus 10 per cent export duty. CDM conducts large-scale mining operations over the coastal area extending 100 km north of the Orange River including a part known as Area Number 1, and it is actively prospecting in other areas as well. In January 1951, this concession was extended until the year 2010.¹⁰ CDM is extremely important to De Beers. In the early 1970s, the Oranjemund (mine) produced over 30 per cent of De Beers worldwide after-tax profits. Since then, the development of new De Beers group mines in Botswana and South Africa has reduced its share. Nevertheless, in 1980, Namibia still provided 17 per cent of De Beers profits, from approximately 10.5 per cent of the carats mined by De Beers. Almost all of Namibia's diamonds are of gem grade, rather than the lower grade stone used for industrial purposes. Therefore, these Namibian gem diamonds are worth more per carat than the industrial diamonds. These Namibian gems have been a crucial part of De Beers strategy to maintain control of the world diamond market, and it is on this monopoly that the price of diamonds rests. A close relationship in diamond marketing exists between De Beers and the South African régime through the Diamond Producers' Association (DPA). Consolidated Diamond Mines sells diamonds from Namibia to the Diamond Purchasing and Trading Company, a De Beers and Anglo American Corporation of South Africa subsidiary. The diamonds are then sorted and valued in South Africa before they are sold to the Diamond Trading Company, another De Beers and Anglo American subsidiary, this subsidiary then arranges the sale of the Namibian diamonds to diamond merchants at its London office. These subsidiary corporations involved in the buying, sorting, valuation and resale of the Namibian diamonds are referred to as the Central Selling Organization.¹¹

3. Economic activities

(a) Prospecting

13. CDM, a group of active subsidiaries which operate in Namibia are: The Marine Diamond Corporation (Pty) Ltd, which owns pre-emptive rights to some parts of Namibia where minerals are known to exist, South West Finance Corporation (Pty) Ltd, Marine Group Investments (Pty) Ltd, CDM Prospecting (Pty) Ltd, De Beers Services (Pty) Ltd, Sea Diamond Services Corporations, and Tidal Diamonds.

14. CDM, through its subsidiaries, has conducted extensive exploration and prospecting activities in the inshore and offshore areas of Namibia. Within the last

decade, CDM has spent R 10.4 million in prospecting operations in its own concession, the Marine Diamonds Concession and elsewhere in the Territory.¹² Further prospecting for diamonds has occurred in concessions held by another CDM affiliate, Tidal Diamonds (Pty) Ltd which holds prospecting and diamond rights to Diamond Area Number 2 and two adjacent sea concessions.¹³

15. Both CDM and Tidal Diamonds have working relationships with Anglo American Prospecting Company Ltd, Anglo American Prospecting Services Company (Pty) Ltd, De Beers Holdings (Pty) Ltd and the De Beers Industrial Corporation for the exploration of their concessions minerals other than diamonds, with De Beers holding a 25 per cent interest in this arrangement.¹⁴ The main areas of interest have been uranium prospecting in the Meob Bay areas, and lead, zinc and silver in the area adjacent to the Rosh Pinah Mine. The company holds mineral rights for most of the areas it operates in Namibia until 31 December 2010.¹⁵

16. In Namibia, reconnaissance prospecting covering large areas was again disappointing, as in previous

years. Within Diamond Area No. 1, in the south, intensified prospecting activity inland along the north bank of the Orange River continued to give encouraging results, but sampling is difficult at this depth and in this type of ground, and evaluation, which is slow and expensive, may yet prove the interesting values obtained thus far too sporadic. In the sea off the Namibian coast three vessels specially equipped are capable of sampling and geophysical programmes throughout the year. Over the past four years, CDM (Pty) Ltd has been spending approximately R 1 million annually on a survey of the mineral potential of Namibia.¹⁶

(b) Production

17. Of all the diamond mines owned by De Beers Consolidated Mines, CDM of Namibia has been the most productive. CDM is extremely important to De Beers. In the early 1970s, the CDM plant in Oranjemund produced over 30 per cent of De Beers worldwide after-tax profits. Its importance to De Beers is further increased if we look at the total volume of production (Table 3).

TABLE 3. DE BEERS DIAMOND PRODUCTION, BY COUNTRY (GEM AND INDUSTRIAL)
(Thousands of Carats)

	Namibia	South Africa (Thousands of Carats)	Botswana	Total ^a	Namibia as per cent of total
1972.....	1 596	6 157	2 403	10 614	15
1973.....	1 600	6 808	2 416	10 823	15
1974.....	1 570	6 780	2 718	11 068	14
1975.....	1 747	6 527	2 393	10 671	16
1976.....	1 694	6 468	2 361	10 523	16
1977.....	2 001	7 093	2 691	11 807	17
1978.....	1 898	7 262	2 785	11 944	16
1979.....	1 653	7 886	4 394	13 933	12

Source: UNCTC: *Role of Transnational Corporations in Namibia*, (Aug. 1982)

^a Includes 22, 49 and 52 thousand carats from Lesotho in 1977, 1978 and 1979 respectively.

18. In terms of gemstone production, CDM has made significant contributions to the over-all earnings of the De Beers Group of Companies (see table 4). Since 1930, over 47 million carats of high quality gemstones were produced - an average of 1.8 million carats a year. Within the next 20 years, it is estimated that CDM will produce 36 million carats. The deposits at CDM are expected to have been exhausted within 20 years.¹⁷

19. A reliable and accurate assessment of the current contributions of CDM to De Beers is not possible because of inadequate data on company activity since 1974. Also, De Beers has generally not co-operated in releasing statistical data.

(c) Export information

20. All CDM diamonds are marketed by De Beers and Anglo American Corporation of South Africa subsidiary, the Diamond Purchasing and Trading Company (DITRA). Another subsidiary that handles the sale of diamonds in London, together with DITRA, is the Central Selling Organization.

TABLE 4. CONTRIBUTION OF CONSOLIDATED DIAMOND MINES TO DE BEERS

	Percent of production by De Beers	Profits as per cent of De Beers group, after tax ^a
1970.....	48	40
1971.....	44	33
1972.....	43	39
1973.....	42	41
1974.....	39	40
1975.....	41	42
1976.....	40	41
1977.....	41	45
1978.....	39	45
1979.....	31	40

Source: UNCTC: *Role of Transnational Corporations in Namibia*, (August 1982)

^a Estimates for 1975-1970, based on: CDM's share of total De Beers production; CDM's large gems went up in price faster than average in 1977-1979; declining profitability (to De Beers) of Botswana production.

4. Employment information

21. As of 1983, CDM employed 5,470 workers, of which 1,350 were whites and 4,120 Africans. Almost all

the Africans are unskilled workers on contracts averaging about eight months. Although CDM generally tries to create an impression that the working conditions are the best in Namibia, evidence available seems to confirm the contrary. For instance, unskilled Africans are paid very poorly with monthly wages, including overtime, ranging from R 230 to R 398 in 1982. Their white counterparts, however, receive wages which are many times higher. Furthermore, the highest management, administrative, technical and supervisory positions are all in the hands of the whites. Africans occupy the lowest ranks of the employment stratum.¹⁸

22. Living conditions for the Africans are appalling. Unskilled men, and that means Africans, are housed 12 to a room in poorly maintained hostels. In the new building three Africans are assigned to a room. There is no right to privacy for the unskilled workers. Neither their wives nor children are permitted to live with husbands or fathers. Baths and toilets are in large public buildings. The discriminative salary differential scales and social status which are based on race reinforce the poor living conditions. Whites are considered skilled and entitled to higher wages and individual housing units. Africans as a rule are considered unskilled, therefore, they are not entitled to higher wages and individual housing units.

23. Another major problem is that of workers' contracts. The contract system as it operates throughout Namibia is geared towards recruiting unskilled people. Unskilled people's contracts are designed in such a way as to deny job security, tenure and fringe benefits. Contracts are usually of a short duration covering a period not exceeding eight months.

24. Meaningful and strong unions do not thrive under such conditions. In addition, African workers are frozen out of the decision-making process. CDM has

boasted of its workers being involved more in the decision-making process affecting housing, recreation and sports. Little evidence seems to support their claims. These claims affect menial projects, not the most importance aspects about promotions, salaries and company matters.

25. The health of the workers is a major problem. Health facilities at CDM are as poor as at Rossing and other mines. Clinics are small and poorly staffed. There are no medical specialists at CDM. When whites fall ill at CDM they are taken to South Africa or overseas for treatment. Africans on the other hand, have nowhere to go for treatment except to these inferior facilities.

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VI. ELECTRICITY SUPPLY COMMISSION

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A. BACKGROUND

<i>Name of parent:</i>	Electricity Supply Commission (ESCOM).
<i>Namibian subsidiary:</i>	None.
<i>Registered office:</i>	Megawatt Park, Sandton, P.O. Box 1091, Johannesburg, 2000.
<i>Telephone number:</i>	2711-800-8111.
<i>Date incorporated:</i>	1922.
<i>Bankers:</i>	Reserve Bank of South Africa.
<i>Rank in field of operation:</i>	The Electricity Supply Commission (ESCOM) supplies more than 86 per cent of South Africa's and Namibian energy needs. Within a decade, ESCOM will supply almost all the electricity consumed in South Africa.

B. OPERATIONS

1. The South Africa Electricity Act of 1922 established the Electricity Supply Commission (ESCOM). The South African régime charged "ESCOM to investigate new or additional facilities for the supply of electricity within any area and for the co-ordination and co-operation of existing undertakings, so as to stimulate a cheap and abundant supply. . . ." In addition, ESCOM was further requested to finance, build and operate power stations and distribution networks wherever the generation of hydroelectric power is possible and economically feasible.¹

2. In general, ESCOM supplies electricity in bulk to industries, municipalities, the South African Railways and Harbours, government departments and urban and rural areas. The main ESCOM customers are industries, mines and municipalities. In the six years following 1975, bulk electricity supply to municipalities, including Namibia, Zimbabwe, Mozambique, Botswana, Lesotho and Swaziland, surpassed the volume generally consumed by mines in South Africa and Namibia.²

3. At present (1983), the generation of electricity is based almost entirely on coal deposits in the provinces of Natal, Orange Free State and the Transvaal. Presently, South Africa has 24 coal-fired power stations with a total installed capacity of about 1,400 MW. All

the new electric power stations are erected on the coalfields.

4. The abundant coal resources have enabled ESCOM to plan the construction of huge power stations with larger generating sets. At the beginning of the 1960s ESCOM built a new generation of power stations on the Eastern Transvaal highveld with minimum sets of 100,000 and 125,000 W. The Komati power station was the first to be built. Komati was followed by Camden with an installed capacity of 1,600 MW made up of eight sets of 200,000 W each; Hendrina with ten sets of 200,000 W each; Grootvlei with six sets of 200,000 W each; and Arnot which houses six 350,000 W units. Arnot was South Africa's first power station designed for steam reheating.³

5. ESCOM in conjunction with the Orange River Project developed two hydroelectric power stations with a total installed capacity of 540,000 W. New hydroelectric projects are being constructed on the Tugela River. Since 1924, ESCOM has worked closely with the Federale Volksbeleggings/Federale Mynbou Bpk (FVB) in constructing hydroelectric power stations. The FVB and the IDC have provided ESCOM with needed capital for development and modernization. The massive financial resources of IDC, FVB and the South African régime have enabled ESCOM to emerge as the largest electric company in South Africa and Namibia. ESCOM has also built nuclear reactors for generating electricity.⁴

C. STRUCTURE OF CORPORATION

6. ESCOM is a state-owned corporation. The Electricity Supply Commission has operated closely with IDC, ISCOR, SARH, Union Steel Corporation (USCO) and SAFMARINE. ESCOM has also had extensive dealings with private corporations. These include the Afrikaner and Sarusa Development Corporation, General Mining and Finance Corporation (GMFC), Sanlam and Volkskas. General Mining and Finance Corporation invested about \$60 million in one of ESCOM's new collieries.⁵ In addition, the Anglo American Corporation of South Africa opened a colliery in 1968 to provide ESCOM's Arnot power station with coal. In the 1960s ESCOM together with IDC invested in the South West African Water and Electricity Commission which was one of the companies involved in the construction of the Cunene project in Angola.⁶

D. NATURE OF CORPORATIONS'S INVOLVEMENT IN NAMIBIA

7. The Electricity Supply Commission supplies al-

most all the electricity consumed in Namibian mines, urban centres, harbours, railways, industries and rural areas. It has a direct involvement in the economy of the Territory. In addition, ESCOM and IDC provided loans to the South West Africa Water and Electricity Commission (SWAWEC) in 1972, to finance the Cunene hydroelectric project in Angola.⁷

8. In 1972, SWAWEC undertook the responsibility to supply electricity in bulk in Namibia. The electricity was from Cunene. Augmenting the Cunene electricity was the output from three coal-fired power stations in Windhoek and Walvis Bay controlled by ESCOM.⁸

9. No information on employment conditions is available.

REFERENCES

1. South African Department of Information: *South Africa in 1982: Official Yearbook of the Republic of South Africa*. (Johannesburg: Chris van Rensburg Publications, 1982), p. 448.
2. Electricity Supply Commission, *Annual Report*. The Commission - ESCOM Golden Jubilee, 1923-1973 (Johannesburg: ESCOM 1973).
- 3-4. See reference 1, p. 441.
5. Electricity Supply Commission, *1982 Annual Report*, p. 4.
6. See reference 1, p. 440.
7. Electricity Supply Commission, *1973 Annual Report*, p. 8.
8. South West Africa Water and Electricity Commission *1973 Annual Report*, p. 12.

VII. FEDERALE MYNBOU BPK

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A. PARENT CORPORATION

1. *Background*

<i>Name of parent:</i>	Federale Mynbou Bpk (FedMynb).
<i>Namibian subsidiary:</i>	Namib Lead Mine Company.
<i>Registered office:</i>	Federale Mynbou Bpk, 6 Hollard Street, Johannesburg, 2001.
<i>Telephone number:</i>	(011) 836-1121.
<i>Date incorporation:</i>	16 June 1983, Johannesburg.
<i>Bankers:</i>	Volkskas.
<i>Assets in field of operation:</i>	R 2,935 million in 1983.
<i>Total number of employees:</i>	Over 206,000.
<i>Shareholder information:</i>	The Afrikaner Financial Corporation, Sanlam, owns 46 per cent of Federale Mynbou Bpk, Partnership in Mining Ltd owns 25 per cent, and Volkskas Bpk owns 10 per cent. ¹

2. *Operations*

1. In 1953, the two Afrikaner investment companies, Federale Volksbeleggings and Bonuskor, formed the first major Afrikaner controlled mining company, Federale Mynbou. Federale Mynbou Bpk (FedMynb) is an investment holding company with direct and indirect investments in companies engaged in mining, finance and industry.² Its major holding is in General Mining Corporation.³

2. Until 1964, Federale Mynbou's interests consisted mainly of coal investments.⁴ In 1965, FedMynb

acquired effective control of a mining house, General Mining and Finance Corporation Ltd.⁵ As a result, its assets climbed from R 60 million to over R 300 million. In 1963, Federale Mynbou joined with the giant Anglo American Corporation to create a new company, Mainstraat Beleggings Beperk.⁶ The assets of Mainstraat beleggings were later transferred to Hollardstraat Beleggings (in which Federale Mynbou held 51 per cent and Anglo American 49 per cent. Hollardstraat Beleggings held 28 per cent of General Mining; this indirect stake together with its direct stake gave Federale Mynbou undisputed control of General Mining.⁷ It has interests in Anglo American Group Companies, Sanlam, Barlow Rand Ltd, JCI and Tsumeb.

3. After General Mining became a subsidiary, Federale Mynbou transferred its operational activities in the mining field to General Mining and is now mainly a financing and investment company. In 1980, General Mining in turn increased its interest in another mining house, Union Corp. Ltd, to 100 per cent.⁸ General Mining subsequently changed its name to General Mining Union Corp. The combined interests of Federale Mynbou and its wholly owned subsidiaries in GENCOR, amounts to 50.8 per cent. The turn-over of the GENCOR group (controlled and administered companies) amounted to R 5,900 million. Federale Mynbou and its subsidiaries have expanded in gold, uranium, platinum, coal, basic metals, industries, properties, food, finance and commerce.⁹ Federale Mynbou is expanding internationally. Its interests are in Stewart and Lloyds, Union Carriage, Hall and Longmore, Tsumeb and Falconbridge.

4. Federale Mynbou controls 37 per cent of South Africa's uranium production, 20 per cent of its coal and 22 per cent of its asbestos and has extensive interests in sugar, diamonds, platinum, salt and chrome. It has expanded into world banking, engineering and chemicals. Federale Mynbou owns 50.5 per cent of General Mining Corporation.¹⁰

3. *Structure of corporation*

5. Federale Mynbou Beperk which was incorporated in Johannesburg is a holding company of General Mining Union Corporation Ltd which holds direct and indirect investments in subsidiary and associated companies,¹¹ which are engaged mainly in mining, finance, commerce, industry, property holding and insurance. Together with General Mining, Federale Mynbou¹² is the seventh largest Mining House in South Africa.¹³ Table 1 lists 11 subsidiaries.

4. Economic information

6. In Namibia, Federale Mynbou Bpk is involved in mining through its interests via GENCOR in the Klein Aub and Oamites copper mines. It has interests in Strathmore Services and Finance Corporation Ltd.¹⁴ Table 2 summarizes its financial status from 1974 to 1982.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, FEDERALE MYNBOU BPK

Subsidiary	Percentage owned by parent	Total assets, 1981 (in millions of rands)
Hollandstraat Beleggings Bpk	51	—
Fed Mynbou Beleggings Bpk.....	100	—
Fedgen Regte-uitgifte Bpk.....	100	—
General Mining Corp. Ltd	50.79	1 252
Sanlam.....	25	—
Partnership in Mining Ltd.....	25	—
Volskas Bpk	10	—
Sentrust	—	27
U. C. Investments Ltd.....	—	—
Rio Algo via GENCOR.....	10	—
Union Corporation via GENCOR.	50.2	—

Source: Johannesburg Stock Exchange, 1982.

B. SUBSIDIARIES OPERATING IN NAMIBIA

1. Basic data

<i>Names of subsidiaries:</i>	1. Strathmore Services and Finance Corp.
	2. Namib Lead Mine Company.
<i>Addresses in Namibia:</i>	1. Strathmore Services and Finance Corp. Ltd, P.O. Box 386, Swakopmund, Namibia.
	2. Deblin Mining (Leasing Namib Lead), 13 Namib St. Box 617, Swakopmund.
<i>Telephone number:</i>	2947.
<i>Shareholders of subsidiary:</i>	

Company	Percentage held
General Mining Union Corp.....	50.9
South West Africa Salt Company.....	—
Langer Heinrich (Pty) Ltd ..	—
Klein Aub Kopermaatskappy Bpk	13.5
General Mining and Finance Corp.....	50.9
Strathmore Tin Ltd	100
Continental Ore of the United States (FVB)	23.7

2. Summary of operations

7. Involvement by Federale Mynbou Bpk in Namibia is through GENCOR Groups subsidiaries. Other than its own direct companies of Namib Company and Strathmore Limited, its principal activities in mining

TABLE 2. FINANCIAL SUMMARY, FEDERALE MYNBOU BPK (Millions of rand)

Economic data	Decree No. 1 1974	1978	1981	1982
Total assets.....	—	—	2 935	—
Gross revenues.....	—	998	3 202	4 169
Income before taxes.....	34	140	—	—
Taxes.....	26.5	28.5	67.3	—
Net income after taxes	64	134	161	—
Shareholder equity	53	198	275	—
Long-term debt.....	89	262	270	—

Source: UNCTC: *Role of Transnational Corporations in Namibia, 1982; Facts' Investors Guide*, June 1981.

copper are in Klein Aub Kopermaatskappy Bpk (for details refer to GENCOR and JCI), Klein Aub Mine, Oamites Mine (through IDC and GENCOR), and Tsumeb (via GENCOR). In uranium, lead and zinc are Heinrich Uranium Ltd, Rossing, and Rio Tinto-Zinc (through GENCOR Group).

8. Strathmore Services and Finance Corporation Ltd, in co-operation with Namib Tin Company provide the vast majority of Federale Mynbou's tin and lead requirements in Namibia. Strathmore Services and Finance Ltd is the Federale Mynbou's holding company. It provides developmental and other financial requirements to Namib Tin Company and the South West Africa Salt Company. Federale Mynbou is an important producer of salt.¹⁵

9. The Namib Lead Mine is leased to the locally owned Deblin Mining Pty. Sales for 1982 were slightly increased over 1981 figures with 2,900 tons of zinc concentrates sold, 2.4 tons of silver sold and 3,000 tons of lead sold.¹⁶

10. In addition, Mynbou owns the following corporations (according to McGregors' *Who Owns Whom*, 1980), however, no additional information is available on these subsidiaries:

Major Namibian Subsidiaries	Percentage held
Namib Lead Mine.....	100
Superocla Pipes (SWA) Ltd.....	67.4
Langer Heinrich Uranium (Pty) Ltd (via GENCOR)	—
Klein Aub.....	82.8
Rossing Uranium Ltd.....	6.8
Tsumeb Corporation Ltd	9
<i>Federale Mynbou Bpk</i>	
Namib Lead Mines (Pty) Ltd.....	100
Adamas Paper Mill (Pty) Ltd	53
Aeropress (Pty) Ltd	74
Artist Partners S.A. (Pty) Ltd	74
Assegai Packaging Co. Ltd	74
Atlantic Papers (Pty) Ltd.....	53
E.H.T. Properties (Pty) Ltd	44
Electro Projects (Pty) Ltd	44
Embecon (S.A.) Pty. Ltd	28
Embecon Grouting Co. (Pty) Ltd	56
Embecon Master Buildings (Pty) Ltd.....	28
Eurocarbon Sales (Pty) Ltd	43
Evander Crushers (Pty) Ltd	36

Thru GENCOR

Union Corporation (Prospecting in S.W.A.) Pty. Ltd

11. The corporation also holds shares in:

Rossing Uranium Ltd, B and C shares	1,523,520
Tsumeb Corporation	359,572
Klein Aub Kopermaatskappy Bpk	270,572

12. The corporation also had a R 988,032 loan outstanding to Rossing Uranium in 1980.

13. No employment information on either subsidiary is available.

3. Economic activities

(a) Prospecting

14. Strathmore Services and Finance Corporation has been involved in prospecting and explorations in Namibia through GENCOR's group subsidiaries: General Mining and Finance Corporation Co. Ltd and the Langer Heinrich Uranium Corp. (Pty) Ltd.¹⁷ Further prospecting involvements have been through Federale Mynbou and FVB's holding in JCI's B and O Mineral Exploration Co. (Pty) Ltd, Otjihase Mining Co. (Pty) Ltd and Klein Aub Mine. Further exploration has been via shareholdings of the GENCOR in Rio Tinto-Zinc and the Anglo American Corporation.¹⁸

(b) Production

15. Table 3 shows the production at Namib Lead, which is currently (1983) leased to the Deblin Mining (Pty) Ltd.

TABLE 3. OUTPUT OF NAMIB LEAD, 1980, 1982
(Metric tonnes)

	Zinc concentrates	Silver	Lead
1980 ¹⁹	1 886	1.9	1 499
1982 ²⁰	2 900	2.4	3 000

(c) Export information

16. Most of the tin and lead from Namib Lead Mine and Strathmore Tin Co. are absorbed by GENCOR which exports almost all of it to South Africa through Walvis Bay. A small percentage of these minerals are supplied to Tsumeb.²¹ The company does not provide a statistical breakdown of what each mine produces and how much it exports to particular customers.

REFERENCES

1. McGregors' *Who Owns Whom*, 1980, p. 117.
2. Martha Mueller and George Lanning, *Africa Undermined: A History of the Mining Companies and the Underdevelopment of Africa*, Harmondsworth, Middlesex England: Penguin Books Ltd, 1979, p. 148.
3. Longman Group Ltd, Financial Times, International Yearbook: *Information to Business 1983*, London: Longman Group Ltd, 1983, p. 213.
4. *Ibid.*
5. C.J. Thompson, *The Johannesburg Stock Exchange: Johannesburg: Stock Exchange*, 1982, p. 216.
6. See reference 3, p. 155.
- 7-8. Bernard Magubane, *The Political Economy of Race and Class in South Africa*, New York Monthly Review Press, 1979, p. 180.
9. See reference 3, p. 155.
10. See reference 7, pp. 181-182.
11. See reference 5, p. 155.
12. UNCTC: *Role of Transnational Corporations in Namibia*, (New York: UNCTC August 1982), p. 86.
13. See reference 3, p. 216.
14. Federale Volksbeleggings Bpk, Annual Report, 1981, p. 17.
15. *Ibid.*, p. 18.
16. *Financial Mail*, 22 July 1983, *Namibia Survey*, p. 24.
17. See reference 14, p. 21.
18. CIIR: *A Future for Namibia: Mines and Independence*, (London: CIIR, 1983), pp. 28, 37, 46 and 52.
19. *South African Mining and Engineering Yearbook*, 1981, p. 27.
20. See reference 16.
21. See reference 14, p. 34.

VIII. FEDERALE VOLKSBELEGGINGS BEPERK

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A. PARENT CORPORATION

<i>Name of parent:</i>	Federale Volksbeleggings Beperk (FVB).
<i>Namibian subsidiaries:</i>	1. Marine Products (see Part 3, Ch. XIV); 2. Otjihase Mining Company (see Part 1, Ch. IVD (CGF-Tsumeb Corp.), and Part 3, Ch. XII (JCI); 3. Klein Aub Kopermaatskappy Bpk (see Part 3, Ch. IX).
<i>Registered office:</i>	2715 Sanlamsentrum, Jeppe Street, Johannesburg 2001.
<i>Telephone number:</i>	37-2220.
<i>Date incorporated:</i>	1940.
<i>Bankers:</i>	Volkskas.
<i>Assets in field of operation:</i>	R 1,012,176 as of 31 March 1983.
<i>Total number of employees:</i>	46,700 as of 31 March 1983.
<i>Total number of shareholders:</i>	31 March 1983 Preference Shareholders were 1,924 and Ordinary Shareholders totalled 4,620.
<i>Shareholder information:</i>	The Sanlam group and associated companies hold 42.8 per cent. ¹

B. OPERATIONS

1. Federale Volksbeleggings Bpk was founded by Afrikaners in 1940. At a conference organized to investigate the possibility of increasing Afrikaner economic power in South Africa, Dr. M.S. Louw, Managing Director of Sanlam said, "If we want success, we must use the techniques of capitalism, as it is employed in the most important industry of our country, the gold mining industry. We must establish a financial company which will function in commerce and industry like the so-called 'finance houses in Johannesburg'".² As a result of this conference, an investment company, Federale Volksbeleggings, emerged as a people's institution to further the Afrikaner drive for economic independence.³

2. Since its establishment, Federale Volksbeleggings has emerged to be a large diversified investment holding

company, with interests in the South African industrial and commercial sectors, including the chemical, food and electronics industries. Before 1978, it was closely associated with both Federale Mynbou Beperk and General Mining Corporation. Its assets had been consolidated with these two companies until it sold out its investments in Federale Mynbou in 1978. However, Sanlam has substantial investments in both Federale Mynbou and Federale Volksbeleggings.⁴

3. Federale Volksbeleggings is diversifying in multifaceted approaches. For example, in 1981, its operations within the industrial division was characterized by the following: the acquisition of a controlling interest in Firestone South Africa and the expansion programmes undertaken since control was acquired; the acquisition of a 50 per cent interest in National Ceramics Industries, manufactures of tile and brick; commissioning of Fedmech's tractor assembly plant; and construction of the cement plant of Natal Portland Cement commenced. Diversification and expansion by Federale Volksbeleggings continued in the chemical and food industries. In the chemical division, expansions were made in chemicals and plastics. In the food division, its subsidiary, FEDFOOD, expanded its activities in 1981 by the takeover of Phillipi Cold Storage, Interland Marketing and Honey Crunch, and the capacity expansion, particularly in the case of Table Top. Federale Volksbeleggings has healthy balance in its investment portfolio and its chances of continued growth remain impressive.⁵

C. STRUCTURE OF CORPORATION

4. Federale Volksbeleggings Beperk (FVB) was founded in 1940 and its and subsidiaries are active in the following sectors of the South African and Namibian economies: Industries concentrating on consumer and industrial development and equipment, chemicals and pharmaceuticals, consumer-electronics, electronic components and furniture, food and fish, consumer services, cement, lime, building materials, finance and investment capital, property holding and leasing.⁶ Table 1 lists 29 subsidiaries.

5. The FVB is a controlling company with investments in food, chemicals, services, electronics, furniture and sundry industries.⁷ It has property facilities throughout South Africa, including Isando, Germiston and New Castle. In Namibia its property is in Walvis Bay, Windhoek and Lüderitz.

6. Federale Volksbeleggings Bpk (FVB) had up to 1980 a 54 per cent interest in Klein Aub Kopermaatskappy Bpk in Namibia. Under an arrangement with General Mining, FVB reduced its ownership to an

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, FEDERALE VOLKSBELEGGINGS BEPERK

Subsidiary	Percentage owned by parent
Fedfood Limited.....	63
Fedbake Holdings Ltd	63
Champion Milling and Trading Co. (Pty) Ltd.....	63
Fedmark Holdings (Pty) Ltd.....	63
Fedpro (Edms) Bpk.....	63
G. Boerstra (Pty) Ltd.....	32
Industrial Oil Processors (Pty) Ltd.....	63
Marine Products (Pty) Ltd.....	63
Nola Nyeverhede (Edms) Beperk.....	59
Ruto Meule (Edms) Beperk.....	63
Simba-Quix Ltd	63
Table Top Foods Ltd.....	63
South African Druggists Ltd.....	37
Continental Ethicals (Pty) Ltd.....	37
Fine Chemicals Corporation Pty Ltd.....	37
Heynes Mathew Ltd.....	37
Labethica (Pty) Ltd.....	37
Lennon Ltd.....	37
Petersen Holdings Ltd.....	37
Tek Corp. Ltd.....	96
Tek Plastics (Pty) Ltd.....	49
Fed Services Ltd.....	100
Fedmar Ores and Metals (Pty) Ltd.....	75
FVB Sentrum Bloemfontein Bpk.....	100
Kings Parking Co. South Africa (Pty) Ltd.....	85
Zeda Holdings (Pty) Ltd.....	100
Iso-Ster (Edms).....	60
Fedmech Beherend Bpk.....	75
Firestone S.A. (Pty) Ltd.....	56

Source: Johannesburg Stock Exchange (1982).

undisclosed minority holding. General Mining now holds an 82.8 per cent interest in Kopermaatskappy.

FVB also has an undisclosed minority interest in Otjihase Mine in Namibia (see Johannesburg Consolidated Investment, (Ch. XII). Its 60 per cent owned subsidiary, Federale Foods Limited, operates in the fishing sector through its wholly owned subsidiary, Marine Products Limited (for details see Marine Products Limited, Ch. XIV).⁸

7. It should be noted that FVB, Federal Mynbou Beperk, General Mining and Fedfood Limited all list as their most important shareholder the Afrikaner dominated Sanlam group. Thus, while there are separate, independent companies, ultimate control rests in the hands of the same financial group.

D. ECONOMIC INFORMATION

8. The nature of Federale Volksbeleggings Beperk involvement in Namibia is that of a holding company with investments in food, chemicals, services, electronics, furniture and sundry industries. Table 2 summarizes its financial status from 1966 to 1981.

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1. *Facts' Investors Guide*, June 1981.
2. Brian Bunting, *Rise of the South African Reich*. (Penguin Books, Baltimore, 1969), p. 377.
3. Martha Mueller and George Lanning, *Africa Undermined: A History of the Mining Companies and the Underdevelopment of Africa* (Harmondsworth, Middlesex, England: Penguin Books Ltd 1979), p. 1940.
4. United Nations Centre for Transnational Corporations, *Role of Transnational Corporations in Namibia* (UNCTC, New York, August 1982), p. 86.
5. C. G. Thomson, *The Johannesburg Stock Exchange* (Johannesburg: Flesch Financial Publications (Pty) Ltd, 1982), p. 219.
- 6-7. See reference 3, p. 86.
8. See reference 4, p. 221.

TABLE 2. FINANCIAL SUMMARY, FEDERALE VOLKSBELEGGINGS BEPERK (Millions of rand)

Economic data	Termination of mandate 1966	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981
Total assets.....	—	—	—	781	854
Gross revenues.....	—	—	—	749	1 028
Income before taxes.....	—	26	30	34	78
Taxes.....	—	—	8.9	14.6	25.6
Net income after taxes.....	—	—	21.2	19.4	52.4
Shareholder equity.....	27.6	131.	209.8	130	318
Long-term debt.....	28.5	30.1	131.8	86.1	—

Source: *Facts' Investors Guide*, June 1981.

IX. GENERAL MINING UNION CORPORATION LTD

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A. PARENT CORPORATION

1. *Background*

<i>Name of parent:</i>	General Mining Union Corporation Ltd (GENCOR).
<i>Namibian subsidiaries:</i>	1. Klein Aub Kopermaatskappy Bpk; 2. Union Corporation Ltd; 3. Tsumeb Corporation Limited; 4. Rossing Uranium Ltd.
<i>Registered office:</i>	General Mining Union Corporation Ltd, 6 Hollard Street, Johannesburg 2001.
<i>Telephone number:</i>	(011) 836-1128.
<i>Date incorporated:</i>	Incorporated 30 December 1895 in South Africa as General Mining and Finance Corp. Ltd. Name changed 25 July 1980.
<i>Assets in field of operation:</i>	R 2,922,172 as of 1981.
<i>Total number of shares:</i>	80,500,000.
<i>Shareholder information:</i>	Federale Mynbou and associated companies own 45.6 per cent of GENCOR's ordinary shares and 76.9 per cent of "A" shares. As of 1981, Federale Mynbou owned 50.7 per cent of GENCOR and remained a holding company.

2. *Operations*

1. The General Mining Corporation Limited (GENCOR) is a mining finance house with major interests in gold, coal, uranium, base metals and industry. It operates mainly in South Africa and Namibia.¹

2. The General Mining Corporation Ltd was previously known as the General Mining and Finance Cor-

poration Limited. In 1980, the Union Corporation Limited (S.A.) became a wholly owned subsidiary of General Mining and Finance Corporation Limited.² As a result of the arrangement, General Mining Corporation Limited, operating as GENCOR was established. It now owns 100 per cent of Union Corporation.³

3. Through Union Corporation GENCOR has interests in subsidiaries that are in Australia, Canada, the United Kingdom, the United States, Panama and Zimbabwe. The international investments are primarily in the industrial, finance and property sectors. As a separate corporation, Union formerly controlled 40 per cent of three Panamanian "Flag of Convenience" shipping companies. General Mining's main sources of income in 1979, in order of magnitude, were gold and uranium, commerce and industry, management services, coal, platinum and other mining activities. The acquisition of Union Corporation comes as part of a policy of building up strategic holdings in the investment portfolio, which had a 1979 market value of R 1,210 million.⁴

4. The group is the largest producer of asbestos in South Africa, the second largest producer of platinum in the Western world, and a significant producer of fluorspar, electrolytic manganese and salt. In October 1981, the group increased its investment in asbestos production through the acquisition of the asbestos interests in Transvaal Consolidated Land and Exploration Co. Ltd by Griqualand Exploration and Finance Co. Ltd at a cost of about R 43 million. Rationalization of operations of the two companies is expected to yield considerable cost savings.⁵

5. The group's platinum division comprises Impala Platinum Holdings Ltd, which owns Impala Platinum Ltd a producer of platinum from the Merensky Reef and a refiner of platinum, nickel and copper, Ayrton Metals Ltd, a London-based selling agent and dealer in precious metals, and Metallurgical Processes (Pty) Ltd, which produces nickel-based alloys and centricast tubes. Falling demand for platinum led Impala to reduce its output by 15 per cent early in 1982.⁶

6. General Mining Union Corporation owns 100 per cent of Union Corporation; 82.8 per cent of Klein Aub; 9.4 per cent of Tsumeb Corporation, 7 per cent of Rossing and it wholly owns Langer Heinrich Uranium (Pty) Ltd.

3. *Structure of corporation*

7. The Corporation was formed to carry on a mining and financial business and acquired the assets and interests of the firm of G and L Albu of Johannesburg and

London. It was considerably enlarged when on 26 March 1980, a scheme of arrangement became effective whereby Union Corp. Ltd (UNICORP) became a wholly owned subsidiary of General Mining, UNICORP shareholders (other than General Mining, its subsidiaries and nominees, who together held over 51 per cent of the issued share capital) receiving 80 General Mining shares for every 100 UNICORP shares held.⁷ The Corporation has management, control and development of group activities, including mining, financial, industrial and property companies and provides technical, administrative, financial and other services to the companies within the group. The group produces 17 per cent of South Africa's total gold production and 22 per cent of the uranium industry's total production.⁸ In addition to gold, GENCOR is involved in coal, uranium, base minerals and metals production. Other activities are in industrial development and financial investment. Table 1 lists 19 subsidiaries.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, GENERAL MINING UNION CORPORATION LTD

Subsidiary	Percentage owned by parent
Beatrix Mines Ltd (as of 1980).....	95
Union Corporation.....	100
Union Carbide Corp. of New York.....	51
Federale Mynbou.....	62.5
Tubatsi Ferrochrome.....	49
African Coasters.....	—
Sentrus (as of 1981).....	30.97
Standard Brass, Iron and Steel.....	—
Foundries Ltd (StdBras).....	—
Transnational Coal Corporation (Ltd).....	—
Union Corporation Investments Ltd.....	—
Mining Holding.....	—
WAICOR Limited.....	—
UNISEL Goldmines Ltd.....	—
West and Consolidated Mines Ltd.....	—
Driefontein Consolidated Mines.....	—
West Driefontein Gold Mining Ltd.....	—
Kanhyn Investments Ltd Food.....	—
Union Corporation of Australia.....	49.9

Source: C.J. Thompson, *Johannesburg Stock Exchange*, 1982.

4. Economic information

8. The nature of the General Mining Union Corporation involvement in Namibia is mining, financial investment, industrial development and provision of administrative management skills. Table 2 summarizes its financial status from 1971 to 1981.

B. SUBSIDIARIES OPERATING IN NAMIBIA

1. Basic data

Names of subsidiaries: Klein Aub Kopermaatskappy Bpk, Namib Lead. GENCOR also holds minority interests in Tsumeb Corporation Ltd and Rossing Uranium Ltd. For further information on these com-

panies see entries in part one under Consolidated Gold Fields (Ch. IV) and Rio Tinto-Zinc (Ch. VIII).

Address in Namibia: Box 1, Klein Aub, Rehoboth, Namibia.
 Telephone number: Klein Aub 1.
 Date established and operations commenced: 1966.
 Shareholder information:

Company	Percentage held
General Mining Corporation/Federale Mynbou (South Africa) ...	82.8

TABLE 2. FINANCIAL SUMMARY, GENERAL MINING UNION CORPORATION (Millions of rand)

Economic data	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981
Total assets.....	—	—	888	—
Gross revenues.....	—	—	997	—
Income before taxes.....	—	—	140	—
Taxes.....	—	—	76.6	—
Income after taxes.....	—	—	63.4	—
Shareholder equity.....	77	113	234	294
Long-term debt.....	78	175	189	269

Source: *Facts' Investors Guide*, June 1981.

2. Summary of operations

9. Until 1980, Federale Volksbeleggings owned 54 per cent interest in Klein Aub Kopermaatskappy Bpk. Since then, the General Mining Corporation acquired 82.8 per cent of Klein Aub copper mine. Federale Volksbeleggings has an undisclosed minority interest in the mine.⁹

10. Federale Mynbou/General Mining commenced production of copper at the Klein Copper Mine, Rehoboth, in 1966.¹⁰ Initially, reserves of copper were estimated at 1.7 million metric tonnes with a 3 per cent copper content. These have now been revised upwards to 6 million tonnes.¹¹ The capitalization of R 4.5 million was recouped in two years and annual net income averages R 1 million annually. Before the effects of the decline of the copper prices were felt in 1974, production of 7,800 metric tonnes resulted in a gross income of R 3.2 million and a net income of R 1.3 million. Production was increased to 8,946 million metric tonnes. General Mining also holds the rights to the Okasawa copper orebody at Witvlei in the east and its potential is reviewed periodically.¹² Production in 1980 was down from the highs of the mid-1970s and sales for 1980 were reported at 5,889 tonnes of blister copper and 13,774 kg of silver.¹³

11. Union Corporation, a wholly owned subsidiary of General Mining Corporation, owns 100 per cent of Namib Lead Mines (Pty) Ltd. This mine is currently (1983) inactive.

12. As of 1982, Klein Aub Kopermaatskappy Bpk had 1,057 employees of whom 1,012 were Africans and

45 whites. No further employment information is available.

3. *Economic activities*

(a) *Prospecting*

13. General Mining and Federale Mynbou have been prospecting for mineral deposits in Namibia since the 1960s. Two uranium prospects at Langer Heinrich near Tinkas in the Namib Desert Park are operated by GENCOR/Federale Mynbou and at Trekkopje near Rossing. The Langer Heinrich deposit has substantial uranium deposits. These are located in calcrete, a white rock which, owing to easy breakability, presents some metallurgical problems. In 1976, work started on a pilot project. Similarly large reserves of uranium ore exist at the Trekkopje, north-east of the Rossing Mine. Most of the rights at this site are held by Gold Fields South Africa. The area has geological structure similar to Rossing. Union Carbide in which GENCOR has a 49.9 per cent interest is also prospecting jointly with the Anglo American Corporation of South Africa in the Swakopmund.¹⁴

(b) *Production*

14. Production started in 1966. Production was at the rate of 3,000 tonnes a year in the 1960s. In 1974, it was raised to 7,840 metric tonnes. In 1976, production rose to 8,746 metric tonnes. Very little statistical information is available, however, a number of sources report

that production is about 5,000 tonnes of copper concentrate per year. The Klein Aub also has a high silver content, a factor that has helped the profitability of the mine. Concentrates from Klein Aub are toll-smelted at Tsumeb and then exported.

(c) *Export information*

15. Most of the copper from Klein Aub Kopermaatskappy Bpk is exported from Walvis Bay to South Africa and the Federal Republic of Germany.

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X. INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Industrial Development Corporation of South Africa (IDC).
<i>Namibian subsidiaries:</i>	1. SWA Water and Electricity Corporation; 2. Rossing Uranium Ltd; 3. Oamites Mining Corp.
<i>Registered office:</i>	Industrial Development Office, P.O. Box 6905, Johannesburg 2000.
<i>Telephone number:</i>	(011) 833-3711.
<i>Date incorporated:</i>	1940.
<i>Location other than registered office:</i>	Pretoria, South Africa.
<i>Rank by assets in field of operation:</i>	At the core of the South Africa régime's intervention and participation in the South African economy is the Industrial Development Corporation (IDC). Of all the South African parastatals, IDC is the only company that has either directly or indirectly intervened in almost all facets of the industrialization of South African economy. It has financially and administratively aided in the development of SASOL, SAPRI (South African Paper and Pulp Industries), South African Marine Corporation (SAFMARINE), Southern Oil Exploration Corporation (SOEKOR), Southern African Industrial Cellulose Corporation (SAICCOR), Iron and Steel Corporation of South Africa (ISCOR), South African Cable Company (SACC), Phosphate Development Corporation (FOSKOR), African Metal Corporation (AMCOR), ESCOM, SWAWEC, and Alusaf.

From its initial capital of \$15 million its assets rose to \$563 million in 1970. Its financial undertakings rose from R 706 million in 1975 to R 1.7 billion in 1980.

2. Operations

1. The South Africa Act 22 of 1940 established the Industrial Development Corporation Limited (IDC) in the same year. The charge granted to IDC by the South African Parliament was "... to facilitate, promote, guide and assist in the financing of new industries and industrial undertakings and schemes for the expansion, better organization and modernization of, and the more efficient carrying out of, operations in existing industries and industrial undertakings". The functions and purposes of this state corporation (IDC) are broadly defined. The broadness and charge of IDC makes its business easy to intervene in almost every aspect of the industrial development of the South African and Namibian economy. By 1970, IDC had participated in 1,250 industrial ventures. This figure rose to 3,000 in 1983.¹

2. The Industrial Development Corporation is the main instrument for channelling financial assistance to entrepreneurs in diversified aspects of industrial development. Recently IDC has increasingly participated in financing new industrial schemes that are seeking to broaden the exports-oriented sector of the Namibian economy. IDC conducts a finance programme for capital goods and services exported from South Africa in conjunction with the Credit Guarantee Insurance Corporation of Africa and the Department of Industries, Commerce and Tourism. Credit facilities on terms competitive on the international market are offered under the programme. IDC also operates lines of import credit with foreign countries to facilitate the importation of capital goods from those countries and will not act as guarantor.²

3. IDC obtains most of its development capital through governmental appropriations. It also raises additional capital from the investments it has made in many corporations throughout South Africa and Namibia. IDC's investments are in mining, manufacturing, transportation, shipping and fishing, utilities, and high technology.

3. Structure of corporation

(a) Descriptive analysis

4. The Industrial Development Corporation is one of the largest South African investment parastatals. Since the 1940s, IDC has financed new South African industries and encouraged the development of various industrial projects. IDC has been a driving force in planning, financing and implementing new projects. It is at the center stage of the industrial development of

South Africa.³ By 1946, IDC had come to co-ordinate its work with the Board of Trade and Industries.

5. One of the major tasks of IDC was to work with the South African régime in planning, co-ordinating and financing new projects and parastatals. Some of these parastatals are: the Council for Scientific and Industrial Research (CSIR); the Fisheries Development Corporation (FDC), SASOL, Shipping Engineering Construction Companies, ESCOM and SOEKOR.

6. IDC has involved itself in almost all facets of the South African economy including mining; oil explorations; railways; railroads; airways; ship-building; manufacturing; agricultural development; exports; imports and securing foreign loans for industrial development in South Africa.

(b) *Major non-Namibian subsidiaries*

7. IDC is involved with the financing of most of the South African parastatals. Within a few years of its establishment, IDS worked jointly with the South African régime to establish the Fisheries Development Corporation (FDC) in 1944. The IDC was to assist the FDC in accomplishing the following objectives:

- (1) to establish, make efficient and finance projects to catch and sell fish;
- (2) to house fishing communities and provide them with health services, provident funds and medical benefit plans;
- (3) to buy, sell, process and market fish and fish products; and
- (4) to obtain shares in companies concerned with the exploiting, processing or marketing of fish.

The FDC is also empowered to build and control fishing wharves and cold stores, and conduct scientific research.⁴ It commenced production in 1946.

8. In 1946, the year FDC started operations, the Industrial Development Corporation assisted the régime in creating the Council for Scientific and Industrial Research (CSIR). The IDC was to assist CSIR in its objectives of advocating basic scientific knowledge, building up specialized scientific capabilities with CSIR, encouraging scientific and engineering research and promoting the development and training of research scientists and engineers in industries, as well as at South African universities. Four years later, another industrial parastatal, SASOL was formed by IDC and the South African régime.

9. Since 1956, IDC has concentrated on export promotion as an important prerequisite for the continuing expansion of the manufacturing sector. In this connexion, IDC took additional responsibility of facilitating industrialization in the "bantustans" and border areas. From 1963 to 1964, IDC had spent \$242 million in setting industrial projects in and around "bantustans". The Industrial Development Corporation also took the lead in expanding the textile industrial sector. By 1970, IDC had created a textile subsidiary corporation, the

DaGama Textile Company. This subsidiary holds four textile companies of its own.⁵

10. As part of its emphasis on export promotion, IDC has built up the South African Marine Corporation (SAFMARINE) group of shipping companies and the UNICOM group of shipping companies. In addition, IDC is subsidizing the following shipping engineering and construction companies: Dorman Long Vanderbijl Corporation Ltd, James Brown and Hamer, and the Sandock Austral. In 1974, alone, IDC loaned \$425.5 million to South African corporations in the export business. In conjunction with the South African Reserve Bank and the Department of Commerce, IDC made a credit of \$270 million available to finance the export of capital goods. With the co-operation of British banks, IDC secured \$22 million in credit for South African industrialists selling goods to the United Kingdom.⁶

11. In its role of promoting strategic and critical new projects, the IDC and SASOL teamed up to form the Southern Oil Exploration Corporation (SOEKOR). Between 1974 and 1974, IDC increased its financial investment in SOEKOR from \$11 million to \$30 million. IDC through SOEKOR has a minimal share in SWAKOR - which is a SOEKOR subsidiary based and operating in Namibia. Other additional IDC investments in energy and fuel-related industries are the Electricity Supply Commission, ISCOR and SARH.

12. IDC has become one of the largest parastatals which owns shares in many corporations. Outside South Africa, IDC had been a principal investor in the Rhodesian Umtali-Beira Pipeline. After the illegal Rhodesian régime declared its independence unilaterally from Britain in 1965, and economic sanctions were imposed on the rebel colony, IDC was able to prevail on Britain to pay it for the loss it had incurred. For six months in 1968, Britain paid IDC compensation at the rate of R 108,000 a month. By 1969, IDC had invested \$29 million in Mozambique. In co-operation with the Banco de Fomento Nacional, it had loaned \$9 million to a Portuguese sugar company, Marracuene Agricola Acucareira. In co-operation with Falconbridge, it invested \$8.3 million in the Oamites Copper Mines, which commenced production in 1972. IDC owns 25.1 per cent of Falconbridge.⁷

13. The International Development Corporation has shares through SASOL which owns 30 per cent interest in the State-owned oil refinery, NATREF. Other IDC shares are in Palabora, Central Accepting Bank and Craft companies. IDC owns 13.2 per cent of Rossing Uranium Limited. Together with General Mining, they control 46.5 per cent direct interest in Rio Tinto-Zinc.

4. *Economic information*

14. The IDC is involved in Namibia through the investment loans it provides to the following parastatals: ESCOM; SAFMARINE; ISCOR; FDC; SOEKOR; SARH; CSIR; and UNICORP. South African parastatals operate throughout Namibia without having to establish subsidiaries.

15. The IDC is the main instrument for channelling financial assistance to white Namibian entrepreneurs in the following aspects of industrial development: exports; imports; mining; fishing; shipping transportation; and agricultural development. The IDC, like other parastatals operating in Namibia combine Namibian financial data with that from South Africa. No further economic data are available.

B. SUBSIDIARIES OPERATING IN NAMIBIA

1. Basic data

<i>Names of subsidiaries:</i>	SWA Water and Electricity Corp. (100 per cent). ⁸
	Rossing Uranium Limited (13.2 per cent). ⁹
	Oamites Mining Company (25 per cent). ¹⁰
<i>Address in Namibia:</i>	Trust Center, Kaiser Street, Box 2864, Windhoek.
<i>Telephone number:</i>	3 1830.
<i>Shareholder information:</i>	SWA Water and Electricity Corporation is 100 per cent owned by IDC.

2. Summary of operations

16. The Industrial Development Corporation has

three subsidiaries or affiliates operating in Namibia, namely SWA Water and Electricity Corporation (100 per cent owned); Rossing Uranium Limited (13.2 per cent owned); and Oamites Mining Company (25 per cent owned). In addition, the IDC holds a 50 per cent interest in the Sortuem Oil Exploration Company, an oil exploration company that has a subsidiary conducting oil exploration activities in Namibia.

17. The IDC's basic activities in Namibia are through loans. Between November 1962 and January 1981, the corporation provided financing for operations in Namibia totalling R 674,440. In the year ending June 1981, the IDC provided R 117,116 worth of financing for operations in Namibia.¹¹ For further information on Rossing Uranium Ltd see entry for Rio Tinto-Zinc. Additional information on Oamites can be found in the Falconbridge Section.

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XI. IRON AND STEEL INDUSTRIAL CORPORATION LTD

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Iron and Steel Industrial Corporation Ltd (ISCOR).
<i>Namibian subsidiaries:</i>	Consolidated Wire Industries; also ownership of Uis tin mine and Rosh Pinah lead/zinc mine.
<i>Registered office:</i>	ISCOR Headquarters, P.O. Box 450, Pretoria 0001.
<i>Telephone number:</i>	214111.
<i>Date incorporated:</i>	30 March 1928.
<i>Location other than registered office:</i>	Pretoria, Transvaal.
<i>Bankers:</i>	1. Nedbank, 2. Volkskas, 3. Trust Bank of Africa.
<i>Rank in field of operation:</i>	Assets of R 3 billion in 1982 ISCOR is a wholly owned corporation of the government of South Africa. According to the Iron and Steel Institute, ISCOR is the seventeenth largest steel-making company among 48 producers in 42 Western countries.
<i>Total number of employees:</i>	8,000 in 1980.
<i>Shareholder information:</i>	The Iron and Steel Industrial Corporation (ISCOR) of South Africa is a parastatal whose A and B redeemable preference shares are held by the Pretoria régime. The cumulative preference shares of ISCOR are in the hands of private holders. ISCOR's net assets in 1980 were R 2.98 billion. Its capital expenditure for the same year was R 105 million and revenue netted R 1,904 million.

2. Operations

1. The Iron and Steel Industrial Corporation of South Africa (ISCOR) was created by the South African régime. A joint session of the Houses of South African Parliament passed the Iron and Steel Industry Act, Number 11, of 30 March 1928.¹ This law was enacted to promote the development of iron, steel and allied industries. ISCOR is South Africa's only producer of tinplate. In addition, it operates dolomite quarries and coal, tin and zinc mines.²

2. ISCOR's level of production rose from 160,000 tonnes in 1934, to over 4 million tonnes in the 1980s. Today, ISCOR is a giant holding company with assets worth about R 3 billion. ISCOR now produces 75 per cent of all South African steel.³ It exports 30 per cent of its steel to some southern African countries, Israel, Japan and Western Europe. ISCOR's investments are financed, in large part, through borrowing, and increasingly ISCOR borrows from transnational corporations, with the South African government acting as guarantor.⁴

3. In late 1974, ISCOR brought a hot strip mill on stream, with an annual capacity of two million tonnes. In mid-1974, a new cold rolling mill began production; this reduced over-all steel imports by 220,000 tonnes of hot and 240,000 tonnes of cold rolled sheets. At that time prices for imports were 70 to 150 per cent above prices of local steel, partly because of tariffs and partly because the government subsidizes ISCOR.⁵

4. In 1973, ISCOR proposed, as part of a 10-year plan, new investments that would total \$3,725 million and include normal expansion of mine and quarry activities. Production was expected to rise from 4 million tonnes to somewhat over 10 million tonnes of raw steel. To achieve this goal, the government agreed to increase its capital contribution by about \$240 million which was paid to ISCOR at the rate of about \$30 million a year.⁶ By 1983, ISCOR had doubled its production. By 1977, ISCOR had completed a \$58 million investment programme to make South Africa self-sufficient in coke. This programme included the production of coke, coke oven gas, and by-products, to feed the expanded iron and steel works.⁷ Furthermore, ISCOR was also at the center of the régime's plan to produce three million tonnes of steel semis yearly at Saldanha Bay. The plant now uses two blast furnaces, the LD converters, three casting plants, and one billet mill to roll continuous-cast blooms into billets. This project involved building an 853-kilometer railway from Sishen to Saldanha, and an increase in Sishen's output from three million tonnes to fifteen million tonnes. This pro-

ject was completed in 1977, and almost all of its production is exported.⁸

3. Structure of corporation

5. ISCOR was founded by the Parliament of South Africa in 1928. It was financed by the régime after private companies had been reluctant to invest in the project. Its first steel was produced in 1934, at the Thabazimbi iron works. Between 1948 and 1950, the Vanderbijlpark was built to process iron-ore from Sishen in the north-western Cape Province. It commenced production in 1950. ISCOR's financial and industrial presence is felt in South Africa, Lesotho, Botswana, Namibia, Zimbabwe and Swaziland. ISCOR is the South African régime's most important state corporation.⁹ By 1972, ISCOR was already producing 68 per cent of all South Africa's steel output.¹⁰

6. Records of the Johannesburg stock exchange (1982) show ISCOR to have interests in the following non-Namibian companies.

Van Thiel's Wire Industries Ltd, Natal
Tornado Enterprises (Pty) Ltd, Transvaal
Iskop (Pty) Ltd
Minsa (Pty) Ltd
Capetown Iron and Steel Works
Vanderbijl Park Estate Company
Durban Navigation Collieries (Pty) Ltd
Hecker S.A. (Pty) Ltd
Air Products (S.A.) (Pty) Ltd
Vantin (Pty) Ltd
Steel Sales Co. of Africa (Pty) Ltd
Zimbabwe Iron and Steel Works (Pty) Ltd
Medro Development (Pty) Ltd

4. Economic information

7. ISCOR is involved in Namibia through the following subsidiaries: The Industrial Mineral Mining Corp. (IMMCOR) which owns the Uis tin mine; the Industrial Mining Corp. (IMCOR) which owns the Rosh Pinah zinc mine; and the Consolidated Wire Industries. No further economic data are available.

B. SUBSIDIARIES OPERATING IN NAMIBIA

1. Industrial Minerals Mining Corporation (Pty) Ltd, Uis Mining Company

(a) Basic data

Address in Namibia: Industrial Minerals Mining Corp. (Pty) Ltd, 2nd Floor, Volkskas Building, Kaiser Street, Windhoek, Namibia.
Date established and operations commenced: 1958.
Shareholders of subsidiary: ISCOR (South Africa), 60 per cent.

(b) Operations

8. ISCOR owns the Uis tin mine of Namibia through its wholly owned subsidiary, Industrial Minerals Mining Corporation (Pty) Ltd. All of the ore from the Uis Mine is processed by ISCOR plants in South Africa. Of the refined tin from Uis, 60 per cent is kept by

ISCOR and the rest sold to Anglo American and Tsumeb. Since 1969, IMMCOR has supplied ISCOR's Vanderbijlpark with over 50 per cent of its tin. The opening of ISCOR's tinplate factory in 1969 has saved South Africa a minimum of R 22 million annually in foreign exchange.¹¹

9. ISCOR through IMMCOR, spent half a million rands for prospecting at the Uis tin mine in 1983.¹⁵

(c) Employment conditions

10. In 1982, there were 575 employees of whom 436 were Africans and 109 whites. Employment conditions at smaller mines like Uis are appalling. Mine workers complain of skin, heart and lung diseases. IMMCOR does not have modern and adequate facilities for African workers. They experience poor and unsanitary working conditions. Housing and other living arrangements are deplorable. Four and more Africans are assigned to a single room.

11. There are no Africans in the professional ranks of the Uis labour force. Africans are paid lower salaries than white workers. Africans are prohibited from supervising white workers. A majority of the Africans are employed on a temporary basis. Work contracts are written so that they protect the interests of employers rather than those of the African workers.

2. Industrial Mining Corporation (Pty) Ltd, Rosh Pinah Mine

(a) Basic data

Address in Namibia: IMCOR Zinc (Pty) Limited, 2nd Floor, Volkskas Building, Kaiser Street, Windhoek, Namibia.
Date established: 1969 mine opened.
Date operations commenced: 1971.
Shareholder information: The Rosh Pinah mine is owned by Industrial Mining Corporation which in turn is owned by ISCOR.
Shareholders of subsidiary: ISCOR, 51 per cent.

(b) Summary of operations

12. ISCOR owns 51 per cent of the Industrial Mining Corporation (IMCOR) which controls the Rosh Pinah mine of Namibia. ISCOR obtains all of its supplies of zinc for its steel works from Namibia. IMCOR, Gold Fields South Africa and Rio Tinto-Zinc are the principal suppliers.¹²

13. The IMCOR-Rosh Pinah lead and zinc mine was opened by ISCOR because, until 1969, South Africa had almost no lead production. Prior to that time, most of the zinc needed by ISCOR had come from mines that were owned and operated by non-government companies.

14. It is estimated that Rosh Pinah whose volume of production was raised by 60 per cent in 1976, to 1.9 million tonnes of ore per year, is now steadily declining. Although South African statistical data are extremely

unreliable, its 1978 ore reserves were estimated at only 5 million tonnes. This statistic has not discouraged ISCOR. In 1982, ISCOR spent R 750,000 in prospecting for more zinc around the Rosh Pinah mine.

15. ISCOR-Rosh Pinah paid R 1.5 million in taxes in 1980, R 0.7 million in 1981, and R 2.1 million in 1982.¹³ At a 40 per cent tax rate, Rosh Pinah's profits were R 3.8 million in 1980; R 1.7 million in 1981, and R 5.3 million in 1982. In addition, Rosh Pinah was also reported to have processed 1.9 million tonnes of ore and contributed R 29 million per year to the GNP.

16. In 1980, there were 499 employees of Rosh Pinah Mine of whom 399 were Africans and 100 whites. No further information on employment conditions is available.

(c) *Prospecting*

17. ISCOR, through its subsidiary IMCOR spent R 750,000 in prospecting around Rosh Pinah mine in 1982.¹⁴ Promising indications of lead, copper and zinc

were found north of Rosh Pinah mine. The results are currently (1983) being analyzed.¹⁵

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10. ISCOR Limited, *1973 Annual Report*, p. 14.
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15. See reference 10, 1983, p. 9.

XII. JOHANNESBURG CONSOLIDATED INVESTMENTS LTD

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Johannesburg Consolidated Investments Ltd (JCI).
<i>Namibian subsidiary:</i>	Otjihase Mine.
<i>Registered office:</i>	Consolidated Building, Corner of Fox and Harrison Streets, Johannesburg, 2001.
<i>Telephone number:</i>	(011) 836-2571.
<i>Date incorporated:</i>	1899 in South Africa.
<i>Rank by assets in field of operation:</i>	Johannesburg Consolidated Investments is the fourth largest company in South Africa. As of 1980 its assets were R 943.8 million.
<i>Total number of shares:</i>	40,000,000.
<i>Shareholder information:</i>	Johannesburg Consolidated Investments has a 100 per cent ownership of the Natal Combrian Collieries, 99 per cent in Lenning Holdings Ltd, 64 per cent in Steelbrite Ltd, 50 per cent in Tavistock Collieries, 49 per cent in Otjihase mine and has 11 per cent interests in De Beers, CSO Rustenburg and Johnson Mathey.

2. Operations

1. The Johannesburg Consolidated Investments Ltd was formed in 1899 in South Africa. The major source of its income is derived from investments in minerals, industrial properties, and finance. The minerals that account for most of its revenue are gold, diamonds and platinum.¹ JCI also has significant interests in coal, asbestos, antimony, manganese and copper.

2. In 1980, income from JCI's investments amounted to R 56.4 million and R 42.9 million from

trading profits. JCI owns 32.9 per cent in Rustenburg Holdings and provides technical and management services to its operating subsidiaries, Rustenburg, and Atok Platinum Mines Limited in the Transvaal. Its platinum group metals (nickel, cobalt and copper) are refined by Johnson Mathey Rustenburg Refiners. This company is jointly owned by Rustenburg of South Africa and Johnson Mathey and Co. Ltd of the United Kingdom. Johnson Mathey Company Ltd is the sole marketing agent of Rustenburg. As of June 1980, Johnson Mathey owned 25 per cent of JCI.²

3. JCI is involved in gold and uranium production through its major shareholdings in and the management of the Randfontein Estates and Western Areas Miners located in the West Rand Goldfield. In diamonds, JCI's involvement is through its holdings in the various unlisted diamond trading companies of the Central Selling Organization and in De Beers. JCI's holdings in De Beers amounted to R 107.6 million and its total assets were 22 per cent of Consolidated Murchison, which is the largest antimony concentrate producer in the world. The Johannesburg Consolidated Investment Corporation also holds the following: 49 per cent of the Zimbabwe Shangani Nickel Mining Corporation; a 4.5 per cent equity interest in the Palabora Mining Company; a 49 per cent direct holding in the Otjihase copper mine; and 49 per cent of the Free State Development and Investment Corporation (FREDDIES).

4. JCI's business connections have grown steadily. It is presently the fourth largest mining house in South Africa. In addition, the South African company, Consolidated Murchison, controlled by JCI and the Anglovaal, is the only significant antimony producer outside China and Bolivia.

3. Structure of corporation

5. The Johannesburg Consolidated Investment Corporation Ltd, formed in 1899 by Barney Barnato, was administered from London until 1963. It is now administered from South Africa. It has important investments in De Beers, other Anglo American diamond companies and in Rustenburg Platinum, the world's largest producer of platinum. Its interest in gold and in Zimbabwean coal and nickel is extensive. Table 1 list 12 subsidiaries.

6. JCI has diversified its holding throughout the seven major mining houses in South Africa. Its economic significance to the mining trade is tied up to Anglo American, Johnson Mathey, CSO, Barand and Charter Consolidated.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, JOHANNESBURG CONSOLIDATED INVESTMENTS LTD

Subsidiary	Percentage owned by parent
Rustenburg Platinum Holdings.....	32.9
Consolidated Murchison Limited.....	25
Free State Development Corp.....	49
Lenning Holdings Ltd.....	99
Steelbrite Ltd.....	64
The Natal Combrum.....	100
Tavistock Colliery.....	50
Shangani Mining Corp. Ltd.....	49
Millpark Investments (Pty) Ltd.....	67
Main Place Holdings.....	61
South African Breweries.....	20
Free State Development and Investment Corp. Ltd	49.3

Source: Johannesburg Stock Exchange, 1982.

4. Economic information

7. The nature of Johannesburg Consolidated Investments Ltd involvement in Namibia is mining, investment and industrial development. Table 2 summarizes its financial status from 1971 to 1981.

B. SUBSIDIARY OPERATING IN NAMIBIA

1. Basic data

Name of subsidiary:	Otjihase Mining Co. Ltd (The Otjihase mine was brought into production in July 1976. Because of serious losses as a result of low copper prices, in 1978 JCI reduced its ownership percentage to 40. It is no longer (1982) listed as subsidiary.)
Date established:	1971, Windhoek.
Date operations commenced:	July 1976.
Shareholders of subsidiary:	

Company	Percentage held
JCI (as of 1976)	52.5
Continental Ore of the USA.....	23.8
Fedmar (a subsidiary of Federale Volksbeleggings)	23.7

TABLE 2. FINANCIAL SUMMARY, JOHANNESBURG CONSOLIDATED INVESTMENTS LTD (Millions of rand)

Economic data	JCI advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981
Total assets.....	—	—	—	843
Income before taxes.....	—	—	59.2	320
Taxes.....	—	—	9	—
Net income after taxes ...	—	—	—	13.8
Shareholder equity.....	112	153	170	—
Long-term debt.....	—	32	63	—

Source: *Facts' Investors Guide*, June 1981.

2. Summary of operations

8. In 1980, an agreement was reached between Tsumeb Corporation and JCI to have Tsumeb acquire 70 per cent of the Otjihase Mine. JCI and Tsumeb now operate Otjihase jointly. In 1982, 65,000 metric tonnes of ore per month were produced.

9. No information on employment conditions is available.

10. All production is exported by the parent corporations to South Africa. Since it started operations in July 1976, the Otjihase Mine produced the following contained copper"

Year	Ore produced (metric tonnes)
1977 (June)	15 850
1977 (December).....	21 000
1982.....	65 000

Reserves at Otjihase are estimated at 16 million tonnes, grading 1.8 per cent copper with some zinc as well, for a total of recoverable copper content of 290,000 metric tonnes.³

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XIII. KAAP-KUNENE BELEGGINGS BPK

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A. PARENT CORPORATION

1. *Background*

<i>Name of parent:</i>	Kaap-Kunene Beleggings Bpk.
<i>Namibian subsidiaries:</i>	1. Kaap-Kunene Beleggings (SWA) Bpk; 2. General Development Corporation of Namibia, 100 per cent; 3. Angra Pequena Fishing Corporation, 100 per cent; 4. Irving and Johnson, 2.8 per cent; 5. New Western Fishing Industries.
<i>Registered office:</i>	Kaap-Kunene Beleggings Bpk, 601 Cape Town Centre, Heerengracht, Cape Town.
<i>Telephone number:</i>	(021) 21-5320.
<i>Date incorporated:</i>	1945.
<i>Bankers:</i>	Barclays Bank.
<i>Rank by assets in field of operation:</i>	R 49.1 million; one of the top five fishing corporations in Namibia.
<i>Shareholder information:</i>	Middle-Western Fish Products Ltd holds a 33.8 per cent interest; Suiderland Development Corp. holds 2.5 million shares of Kaap-Kunene.

2. *Operations*

1. Kaap-Kunene Beleggings Beperk is a holding company operating in the inshore fishing industry of South Africa and Namibia through wholly owned subsidiaries. In 1978, 76 per cent of its after-tax profit came from inshore fishing. The corporation has diversified its business into property, ranching and investment. It also owns cattle and game ranches.¹

2. Suiderland Development Corporation holds 2.5 million shares in Kaap-Kunene (18.1 per cent). How-

ever, the controlling interest is held by A.P. duPreez (Executive Chairman) and P.G.S. Neethling. They have a direct interest in 99,000 shares of Kaap-Kunene and 6.4 million out of the 22.8 million shares in Suiderland Development Corporation. Kaap-Kunene in turn holds 7.2 million of Suiderland's issued shares.²

3. For the 1980 financial year, the company reported a 30 per cent drop in net profits to R 3 million, due to the decline in profits from Namibian operations. To diversify its sources of income, the company has since the end of 1980 expanded its fishing division to include operations in Chile, where it has obtained, jointly with Federale Foods Ltd, a 50 per cent (25 per cent each) participation in factories to be established for canning at Inquique and for fish meal in Caldera by the Tarapaca company, part of the industrial Camelio group. The project involves a R 6 million joint investment, with machinery to be provided by the South African partners from surplus stock.³ In 1981, it was reported that some of its New Western subsidiary's canning equipment at Walvis Bay had been dismantled and sent to Chile, and that the Angra Pequena plant at Lüderitz was being stripped of its processing plant for shipment to Chile. The factory was the last remaining fish meal factory at Lüderitz, with plant valued at an estimated R 2 million. On the other hand, farming interests had been expanded by the acquisition of land in the Cape Province of South Africa for export fruit farming.⁴ At the height of the fishing industry in Namibia in 1976, Kaap-Kunene held approximately 21 per cent of the fishing quota.⁵

3. *Structure of corporation*

4. Kaap-Kunene is a financial holding company whose subsidiaries are engaged mainly in the inshore fishing industry but have diversified into the property leasing, ranching and investment fields. Table 1 lists four subsidiaries. Kaap-Kunene's 1979 annual report stated that improved profits (R 4.2 million as contrasted to R 3.7 million after-tax profits in 1978, resulted mainly from activities other than fishing, for example, farming, property development and investments.⁶

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, KAAP-KUNENE BELEGGINGS BPK

<i>Subsidiary</i>	<i>Percentage by parent</i>
Angra Pequena Fishing Corporation	100
New Western Fishing Industries Ltd.....	—
Mid-Western Fish Products Ltd.....	—
General Development Corporation Ltd	100

Source: Johannesburg Stock Exchange, 1982.

4. Economic information

5. The nature of Kaap-Kunene Beleggings Bpk involvement in Namibia is fishing. Table 2 summarizes its financial status from 1971 to 1978.

TABLE 2. FINANCIAL SUMMARY, KAAP-KUNENE BELEGGINGS BPK
(Millions of rand)

Economic data	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978
Total assets.....	—	—	38
Gross revenues.....	—	—	22.3
Income before taxes.....	—	—	6.37
Taxes.....	—	—	2
Net income after taxes.....	—	—	4.22
Shareholder equity.....	16.1	41.1	45.7
Long-term debt.....	0.8	2.1	0.4

Source: *Facts' Investors Guide*, June 1981.

B. SUBSIDIARY OPERATING IN NAMIBIA

1. Basic data

Name of subsidiary:	Kaap-Kunene Beleggings (SWA) Ltd.
Addresses in Namibia:	Kaap-Kunene Beleggings (SWA) Ltd, Walvis Bay, Namibia; General Development Corporation, Box 106, Walvis Bay.
Date operations com- menced:	1945.
Shareholder information:	Wholly owned by Kaap-Kunene Beleg- gings Bpk.

2. Summary of operations

6. Kaap-Kunene Beleggings (SWA) Bpk is a wholly owned subsidiary of Kaap-Kunene of South Africa. Kaap-Kunene Beleggings (SWA) Bpk owns the General Development Company of Namibia Limited. In 1977, the Kaap-Kunene's group operations and interests in Namibia were merged and reconstituted under the umbrella of a holding company registered in Windhoek with a capital of R 1.5 million. The merged interests include: New Western Fishing Industries Ltd, which operates a canned fish, fish meal and oil factory at Walvis Bay and the Mid-Western Fishing Products Ltd, an investment and trading company.⁷

7. One of its wholly owned subsidiaries, the Angra Pequena Fishing Corporation Ltd, operates a rock lobster plant at Lüderitz. At Lüderitz, rock lobster catches and production of frozen lobster tails and whole lobster were considerably higher than for 1979. The increased output, together with higher prices, enabled this division (despite increased costs) to improve its contribution to group profits, and helped offset reduced earnings from the Walvis Bay pelagic sector.⁸

8. In a review of prospects for 1980, the Kaap-Kunene report stated that prospects for Walvis Bay were bleak in the near future although a more favourable situation could emerge eventually. Pilchard landings

were poor from the start of the season in April 1980, although landings of anchovy and non-quota mass-bankers were described as fair.⁹ Factors cited as leading to eventual improvement included the current "effective management by the authorities" of fishing operations, and the introduction of a patrol system by the South African Navy to protect the source and give effect to a unanimous ICSEAF resolution prohibiting all foreign trawlers from operating within 25 kilometres of the coast of Namibia.¹⁰

9. At Walvis Bay, conditions were described as difficult with no clear pattern emerging except for a reduction in pilchard availability - which despite the benefits of the joint industry canning operation, had resulted in a negligible contribution to profits from fish canning. In the past the cannery section is said to have been the most profitable section of the operations at Walvis Bay, and a satisfactory performance was due only to the strictest possible control over operating costs by the local factory management.¹¹

10. By 1982, Kaap-Kunene's fishing operations through the General Development Corporation had been consolidated into two factories. At Walvis Bay, the General Development Corporation entered into a joint venture with Ovenstone Investments Limited that resulted in both companies consolidating their operations into the New West Factory.¹²

11. Kaap-Kunene's other fishing operation in Namibia is the General Development Corporation's Angra Pequena Fishing Corporation, later renamed Blue Angra, which reopened a small lobster processing factory in Lüderitz in 1982.¹³

12. No information on employment conditions is available.

3. Economic information

13. Statistical data breakdown on pelagic fish, lobsters, anchovy, pilchard and other fish are not given. Although the future of the fishing industry looks somewhat bleak, Kaap-Kunene is operating on profit. Recognizing that the future of the industry is uncertain, Kaap-Kunene decided to diversify its investments. Today, the corporation is making money outside the fishing industry. As of 1982, Kaap-Kunene had reportedly moved much of its fishing industry equipment from Namibia to Chile.¹⁴

14. Like the other fishing corporations in Namibia, Kaap-Kunene exports pilchard, anchovies, rock lobster tails and packets to Western Europe, Japan, the United States and South America. Statistical data concerning the type and amounts of fishes exported through Walvis Bay are concealed by the South African régime.

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XIV. MARINE PRODUCTS LIMITED

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Marine Products Limited (Federale Foods).
<i>Namibian subsidiary:</i>	Tuna Corporation Ltd (formerly Tuna Corp. of South Africa Ltd).
<i>Registered office:</i>	Marine Products (Federale Foods), P.O. Box 4542, Cape Town, Cape Province, South Africa.
<i>Telephone number:</i>	(011) 36-3075.
<i>Date incorporated:</i>	1947 in Cape Town.
<i>Bankers:</i>	1. Volkskas, and 2. Standard Bank of South Africa.
<i>Rank by assets in field of operation:</i>	R 135.4 million in 1979; one of the six largest fishing companies in Namibia.
<i>Shareholder information:</i>	Wholly owned by Fedfood Ltd, which in turn is a subsidiary of Federale Volksbeleggings Beperk.

2. Operations

1. Marine Products Limited (Federale Foods) which has diversified interests in the food industry, construction and industrial oils in South Africa and Namibia started operations in 1947.¹ Marine Products is a wholly owned subsidiary of FEDFOODS Ltd (Federale Foods) a division of Federale Volksbeleggings Beperk, the giant South African investment holding corporation which prior to 1978, had an indirect controlling investment in General Mining Corporation through Federale Mynbou. Marine Products is the holding company for many of Fedfood's interests in Namibia and South Africa.²

2. In 1976, Federale Volksbeleggings Beperk

increased its shareholding to over 50 per cent of the issued capital of Marine Products. Federale Volksbeleggings Beperk (FVB) is now the holding company. In July 1977, Marine Products' name was changed to Federale Foods (FEDFOODS) which had diversified into the food sector in Namibia and South Africa.³ Since 1976, Marine Products has not issued an annual report. Its activities are incorporated into annual reports of FEDFOODS.

3. Marine Products lost its separate corporate identity when it was merged in Federale Foods in 1977. Prior to this, Marine Products and United Fishing Enterprises were linked by a maze of interlocking hierarchy of shares with South African banks, pension funds, Volkskas, Sanlam, and the South African Mutual.⁴ As of 1976, 69 per cent of the after-tax profits of Marine Products were derived from Namibian fishing sectors.⁵ After its acquisition by FEDFOODS, there was a decline in its after-tax profit to about 36 per cent in 1979.

4. Marine Products financial results in 1981 were poor largely as a result of reduced fish catches in Namibia in the early 1980s which resulted from substantial overfishing in the 1970s.

3. Structure of corporation

5. Marine Products now known as Federale Foods (FEDFOODS) is diversified as the holding company for FEDFOODS's fishing interests in South Africa and Namibia. It is also involved in finance, insurance, construction, industrial oils and has shares in mining corporations.⁶ It is one of the largest Afrikaner investment and industrial companies in South Africa.

4. Economic information

6. The nature of Marine Products Limited involvement in Namibia is fishing and canning. Table 1 summarizes its financial status from 1971 to 1981.

B. SUBSIDIARY OPERATING IN NAMIBIA

1. Basic data

<i>Name of subsidiary:</i>	Tuna Corporation of Africa Ltd.
<i>Address in Namibia:</i>	Tuna Corporation of Africa Ltd, P.O. Box 70, Walvis Bay, Namibia.
<i>Telephone number:</i>	3351 (Walvis Bay).
<i>Date established and operations commenced:</i>	1950.
<i>Bankers:</i>	1. Volkskas, and 2. Standard Bank of South Africa.
<i>Shareholder information:</i>	100 per cent owned by parent:

Subsidiaries:

Company	Percentage held
Namib Visserye Bpk of Walvis Bay, Namibia	100
Suid Kunene Visserye Bpk, Walvis Bay, Namibia	100

TABLE 1. FINANCIAL SUMMARY, MARINE PRODUCTS LIMITED
(Millions of rand)

Economic data	ICJ advisory opinion 1971	United Nations Decree No. 1 1974 ^a	1979 ^b	1981
Total assets	22.7	25.4	—	—
Gross revenues	25.3	35.3	116	444
Income before taxes	—	—	15.5	31
Taxes	2.6	8.5	5.4	9.6
Shareholder equity	14.9	23.0	45	104
Long-term debt	0.1	—	37	56.5

Source: *Facts' Investors Guide*, June 1981.

^a Figures before 1977 are for Marine Products, after 1977 for Fed-food (Marine Prod).

^b Figures for 1979 are for the 15-month period ending 31 March 1979.

2. Summary of operations

7. Tuna Corporation of Africa, now known as Tuna Corp. Ltd, commenced production in Namibia in 1950.⁷ It is 100 per cent owned by Marine Products (FED-FOODS). It operates a canned fish, fish meal and fish oil factory at Walvis Bay.⁸

8. After Marine Products became a wholly owned subsidiary of FEDFOODS, Tuna Corporation's subsidiaries Namib Visserye Limited and Suid Kunene which also operates two canned fish, fish meal and oil factories at Walvis Bay temporarily stopped operations in 1979. Although the Namib Visserye Limited operates in Walvis Bay, it is registered in Windhoek. The two subsidiaries are 100 per cent owned by Tuna Corporation.⁹

9. In 1979, the Suid Visserye Ltd's factory at Walvis Bay was converted into a fully equipped ship repair workshop by the marine division of General Erection Company, a South African engineering company involved with the Rossing Mine.¹⁰ In 1982, all of Marine Products' operations in Namibia were consolidated into one factory as a result of the rationalization and contraction of the industry that resulted from the temporary collapse of the fishing industry in the late 1970s.¹¹

10. No information on employment conditions is available.

3. Economic information

(a) Fishing

11. The Tuna Corporation and its wholly owned subsidiaries are involved in canning fish, fish meal and fish oil. The company is operating on a profit. Although the fish catches declined because of over-fishing, its canneries continued to make profit throughout the 1970s.¹² Over-all production for that decade is shown in Table 2. In the beginning of the 1980s, the volume of canned fish, fish oil and fish meal rapidly increased.

TABLE 2. FISH PRODUCTION, TUNA CORPORATION OF AFRICA,
1971-1979

Season	Canned fish (cartons)	Fish meal (metric tonnes)	Fish oil
1979	195 375	16 534	4 996
1978	186 108	33 040	9 503
1977	972 026	28 058	4 656
1976	2 766 000	34 700	6 500
1975	3 231 000	44 500	8 400
1974	3 089 000	49 000	9 000
1973	2 056 000	49 000	14 000
1972	1 497 000	28 000	6 000
1971	720 000	31 000	6 000

Source: United Nations Centre on Transnational Corporations, *Role of Transnational Corporations in Namibia*, August 1982.

(b) Export information

12. Although there is no statistical breakdown of the quantity of canned fish exported overseas on a company-by-company basis, we know that FEDFOOD and its subsidiaries have fish products exported to Japan, United Kingdom, United States of America, The Netherlands and France.

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XV. NEDBANK LIMITED

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Nedbank Limited.
<i>Namibian subsidiary:</i>	Nedbank South West Africa.
<i>Registered office:</i>	Nedbank Limited, 81 Main Street, P.O. Box 1144, Johannesburg, South Africa.
<i>Telephone number:</i>	(011) 833-0311.
<i>Date incorporated:</i>	1973.
<i>Bankers:</i>	Nedbank.
<i>Rank by assets in field of operation:</i>	R 8,137 million; the fourth largest bank in South Africa.
<i>Total number of employees:</i>	8,415 in 1982.
<i>Shareholder information:</i>	Nedbank is a wholly owned group in which De Beers Consolidated Mines holds 2 per cent; Barclays National nominee 3.2 per cent; and the South African Mutual Life Assurance 2 per cent.

2. Operations

1. During 1973, Nedbank Ltd (established 1888 under the name *Nederlandsche Bank en Kredietvereniging voor Zuid-Afrika*), merged with Nedfin Ltd, Syfrets, UAL and Holdings Ltd to form the Nedbank and Syfrets-UAL Holdings Ltd. The present name was adopted in December 1978. The merged companies have retained their own identities and together they offer a wide range of financial services.¹ Nedbank Ltd operates branches and agencies in South Africa, branches in London and New York. It has representative offices in Zurich and Frankfurt. Most of the other main operating companies have offices in the main commercial centres of southern Africa.² Nedbank is the fastest growing bank group in South Africa. It is entirely owned, controlled and managed by South Africans. Its founders were Afrikaners and a majority of its customers remain the same people.³

3. Structure of corporation

2. The Nedbank Group Limited is a banking and financial holding company which is South African owned and managed with 98 per cent of its capital in South African hands. The Group's operating companies cover the whole spectrum of financial services—from individual needs to those of the larger corporate clients. The Group's interests include general banking and international services, hire-purchase and leasing, medium services, real estate, and mortgages.⁴

3. Records of the Johannesburg stock exchange (1982) show Nedbank Limited to have interests in the following non-Namibian companies:

Nedfin Bank
Syfrets
UAL
Nefic
Nedbank
Ualefco
Anglo-African Factors
UAL Management Company

4. The assets of Nedbank Limited were, in billion rands, 2.1 in 1978; 9.04 in 1981 and 8.1 in 1982, according to its 1982 annual report.

B. SUBSIDIARY OPERATING IN NAMIBIA

1. Basic data

<i>Name of subsidiary:</i>	Nedbank South West Africa.
<i>Date established and operations commenced:</i>	1973.
<i>Bankers:</i>	Nedbank Group Limited.
<i>Shareholder information:</i>	A wholly owned subsidiary.

2. Summary of operations

5. The banking sector in South Africa and Namibia has enjoyed a hectic two years of growth with Nedbank South West Africa adding more assets in that period. In Namibia, it was mainly the five largest South African banks that benefited the most. These are: Barclays, Standard, Nedbank, Volkskas and BANKORP. Of these banks it was Nedbank which grew the fastest in both Namibia and South Africa. Nedbank is expanding in Namibia as well as the rest of the world. It is presently known that most of the largest mining transnational corporations operating in Namibia bank with either Barclays Bank or Standard Bank. For example, Anglo American and Rio Tinto-Zinc bank with Barclays Bank and Gold Fields of South Africa with Standard Bank. Nedbank wants to be utilized by these large mining companies operating in Namibia.⁵

6. Within Namibia, Nedbank is not known to be trying to operate in black communities. Overwhelming evidence exists that Nedbank does not grant loans or capital to black businessmen. Even mortgages to purchase real estate property have been systematically denied Africans, but Nedbank has consistently granted loans to local white farmers and industrialists.

7. Although Nedbank is not known to be active in its own insurance business, its affiliates do own some insurance companies. These are Syfrets and Executor Company of South Africa; Syfrets Trust Company and over 100 subsidiaries in investment, property and shareholding.

3. *Employment conditions*

8. Nedbank employed 200 in its operation in Namibia, as of 1980, in posts other than designated purely for unskilled, non-clerical work about which no information is given. From the records available, it appears that

there were no skilled Africans employed within the Nedbank Group. The non-skilled Africans are employed on a contract system which does not allow for longer periods of continuous employment without its renewal. The manager can hire and fire at will. As of 1980, company records do indicate that the Bank had intentions to train a few Africans to occupy those positions that are categorized "skilled".

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XVI. OVENSTONE INVESTMENTS LIMITED

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Ovenstone Investments Limited (OIL).
<i>Namibian subsidiaries:</i>	1. John Ovenstone Walvis Bay Ltd; 2. Walvis Bay Canning Company; 3. New West Factory.
<i>Registered office:</i>	Ovenstone Investments Limited (OIL), 8 St. Georges Street, Cape Town 8001.
<i>Telephone number:</i>	(021) 43-7031.
<i>Date incorporated:</i>	1948 in Cape Town.
<i>Bankers:</i>	1. Barclays Bank, and 2. Nedbank.
<i>Rank by assets in field of operation:</i>	Total assets in 1979 were R 67.9 million, one of the six largest fishing companies in Namibia.
<i>Shareholder information:</i>	Ultimate ownership rests with the Ovenstone family and Premier Milling. The latter holds 50 per cent of the shares. ¹

2. Operations

1. Ovenstone Investments Limited (OIL) has 10 per cent of its assets in the inshore fishing industry. A bulk of its income is generated around the Walvis Bay area. Since 1948, OIL has been one of the principal commercial corporations in Namibia. Most of the catch is processed for export. Some of it is processed for fish meal and animal feed. OIL has diversified into property, tourist resorts, home building and construction, finance, and hotels in southern Africa. Within the last ten years, it expanded its operations to Australia, Canada and

South America. Ovenstone's South American partners supply fish meal and fish oil for canneries.² OIL operates four refrigerated sea-water fishing boats in South African, north African and South American waters.³

2. The holding company for Ovenstone Investments' interest in Namibia is John Ovenstone Ltd. Prior to 1972, it was known as Ovenstone South West Investments. By the middle of 1980, Ovenstone had almost abandoned Namibia for Chile. In the same year, Ovenstone completed the full transfer of its cannery plant from Walvis Bay to Chile and staff previously employed at Walvis Bay have been posted to Chile and Peru to manage operations there. In June 1981, agreement was reached for the complete closure of all Ovenstone operations in Namibia, and the operation of the company's quota by Consortium Visserye Bpk. According to Ovenstone, the combined quota constitutes 21 per cent of the total Namibian pelagic quota - Ovenstone held 12 per cent and Consortium 9 per cent. Some of Ovenstone's vessels are now delivering fish caught under the company's quota to Consortium's fish meal factory.⁴

3. Because of its continued diversification, Ovenstone's shares were by 1981 trading at a price offering a return of 7.3 per cent. Amongst the reasons for its high rating compared to other fishing companies, was believed to be the success of its canning venture in Chile and the backing it got from Premier Milling.

3. Structure of corporation

4. OIL has investments in fishing, canneries, fish-oil processing, fish-meal processing, property, home building and construction, hotels, tourist resorts and finance in South Africa, Namibia, Chile, Canada and Australia. Outside Namibia it has large investments in Premier Milling. Four of the five largest fishing group companies - including Ovenstone Investments Ltd, which are linked to each other through a complete network of shareholdings and interlocking directorships. Table 1 lists four subsidiaries.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, OVENSTONE INVESTMENTS LIMITED

<i>Subsidiary</i>	<i>Percentage owned by parent</i>
Orange River Fisheries	21
Sarusas Development Corporation.....	22
Premier Milling.....	50
SWAFIL through Sarusas Development Corporation	11.6

Source: Johannesburg Stock Exchange, 1982.

4. Economic information

5. The nature of Ovenstone Investments Limited involvement in Namibia is fishing, home building and construction, tourism, hotels, property and finance. Table 2 summarizes its financial status from 1971 to 1981.

TABLE 2. FINANCIAL SUMMARY, OVENSTONE INVESTMENTS LIMITED
(Millions of rand)

Economic data	ICJ advisory opinion 1971	United Nations Decree No. 1 1974	1978	1981
Gross revenues.....	—	—	38.5	62
Income before taxes.....	—	—	4.68	5
Taxes.....	—	—	0.46	0.37
Shareholder equity.....	8.3	37.1	31.5	39
Long-term debt.....	1.1	29.8	17.7	32

Source: *Facts' Investors Guide*, June 1981.

B SUBSIDIARIES OPERATING IN NAMIBIA

1. Basic data

Name of subsidiaries:	1. John Ovenstone Walvis Bay, Ltd; 2. Walvis Bay Canning Company; 3. New West Factory.
Addresses in Namibia:	1-2. John Ovenstone Walvis Bay, Ltd, Second Street East 1 Box 3, Walvis Bay, Namibia. 3. General Development Corporation, Box 106, Walvis Bay, Namibia.
Telephone number:	2331 (Walvis Bay).
Date established and operations commenced:	1948.
Bankers:	Barclays Bank.
Shareholder information:	All 100 per cent owned.

2. Summary of operations

6. John Ovenstone Walvis Bay, Ltd is a wholly owned subsidiary of Ovenstone Investments Ltd. John Ovenstone Walvis Bay Ltd wholly owns the Walvis Bay Canning Company Ltd.⁵ It operated a factory which produced canned fish, fish meal and fish oil. It started production in 1948 as the first cannery in Namibia.

7. Fishing was extremely important to it in Namibia until 1969. John Ovenstone fishing activities, including those of other South African based fishing companies, had ruthlessly exploited the pilchards and other pelagic fishes in Namibian territorial waters. Because of their overfishing and depletion of the volume of fishes, the entire fishing industry was threatened during the 1970s.⁶ In 1969, the Pretoria régime reduced the amount of fish that factories could process in Namibia as a way of preserving the fishing industry.⁷

8. From 1972 onwards Ovenstone Investments Ltd began to turn to Latin America for more fish. In 1978, ownership of Ovenstone Walvis Bay Ltd (cannery) was transferred to Southern Cross Fisheries (Pty) Ltd - an unlisted company registered in Windhoek with 2.1 million shares of R 1 each. It is 100 per cent owned by

Ovenstone Investments Ltd. Since 1979, the factory has not been used for fish production, but for labelling cans and packing cartons. Under the 1979 pooling arrangements, it was not allocated a quota as a part of the conservation measures introduced by the Pretoria régime.⁸

9. In 1979, OIL acquired 21 per cent of Orange River Fisheries Ltd which purchased 55 per cent of Sarusas Development Corporation (Pty) Ltd owned by the IDC, General Mining Union Corporation, Mankor and Volkskas. Sarusas has a pelagic quota and controls 11.6 interest in SWAFIL.⁹

10. In January 1981, it was reported that many of the Ovenstone's vessels lying idle at Walvis Bay were to be converted for use in sea-floor diamond mining off the coast of Namibia.¹⁰ By 1982 Ovenstone's only canning operation in Namibia was reported to be a joint venture with Kaap-Kunene Beleggings in the New West Factory at Walvis Bay.¹¹ No information on employment conditions is available.

3. Economic information

(a) Fishing

11. From 1948 to 1968, Ovenstones Walvis Bay (Pty) operated a highly profitable venture in Namibia. In 1968, the Chairman of OIL reported that its cannery at Walvis Bay continued to supply all the requirements of canned pilchards for the Del Monte Corporation of the United States.¹² During that year, sales to the company amounted to almost R 1 million and guaranteed orders for 1969 were well above R 1.2 million.¹³

12. Overfishing had begun to threaten the entire fishing industry by 1970. The decline of the fish catches through indiscriminate fishing began to be recorded by Ovenstone in 1970 (Table 3).

13. The conditions in the fishing industry were described by the Chairman as difficult and uncertain in the 1979 OIL report. Problems in acquiring quotas and many delays experienced on many occasions made realistic planning difficult. Despite acquiring 7,940 tonnes of pilchards (compared to 34,000 tonnes in 1978) and producing only 202,000 cartons (927,000 in 1978), the Namibian operations of Ovenstone remained profitable. As a result of the increase in the 1979 catch of anchovies to 43,000 tonnes (28,500 in 1978), profits remained high in the Ovenstone Walvis Bay area.¹⁴

14. Using modern refrigerated ocean vessels, the elimination of split quotas and the restriction of pilchard catches to specified areas, pilchard business remained profitable.¹⁵ With the 1979 quota set at 12,500 tonnes in the can, the industry's production of canned fish was expected to be better than the 1978 one. Another important factor aiding the profitable operations of Ovenstone Walvis Bay Ltd was the buoyancy of both the Namibian and South African domestic markets. In 1979, the entire production of Namibian and South African fish meal and fish oil was absorbed locally. The export market for rock lobster to Japan and the United States remained strong.

TABLE 3. FISH PRODUCTS, OVENSTONE INVESTMENTS LTD. 1969-1979

Season	Pilchards landings (tonnes)	Pilchards landings (cartons)	Anchovy landings	Total landings (metric tonnes)	Fish meal	Fish oil
1979.....	7 940	202 700	43 300	51 240	10 795	3 700
1978.....	34 300	927 300	28 500	62 800	12 470	1 870
1977.....	—	—	—	—	—	—
1976.....	—	—	—	—	—	—
1975.....	66 524	1 668 830	27 268	93 792	17 470	3 446
1974.....	66 184	1 661 288	24 127	90 311	14 178	2 919
1973.....	47 685	1 379 193	33 477	81 162	13 894	5 359
1972.....	46 841	1 240 000	15 379	62 220	11 558	3 000
1971.....	38 500	724 000	29 000	67 500	13 300	3 110
1970.....	81 000	1 141 000	—	81 000	16 300	4 700
1969.....	97 000	800 000	—	97 000	23 100	4 700

Source: Roger Murray, *Role of Transnational Corporations in Namibia*, United Nations Centre on Transnational Corporations, August 1982.

15. Since 1981, Ovenstone Walvis Bay Ltd operations are through its shares in other shipping operations including Kaap-Kunene.

(b) *Export information*

16. Although there is information available that Namibian canned fish has been exported to the United States, United Kingdom, Burma, Philippines, Australia, Belgium, Liberia, Sri Lanka, Fiji, Gabon, France, Italy, Mauritius, Netherlands, New Zealand, Sarawak, Costa Rica, Singapore, Chile, Japan, Argentina and Taiwan, we do not have the exact statistical data of Ovenstone Walvis Bay Ltd's contribution to the volume of canned fish exported.

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1. McGregors' *Who Owns Whom*, 198, p. 219.
2. Michael Matlon, *Fishing Plunder in Namibia*, Paper presented to the Conference on Political Economy of Southern Africa, Boston, 1982 (mimeographed), p. 5.
3. *Namib Times*, 20 January 1981.
4. See reference 2, p. 6.
5. See reference 2, p. 2.
6. J.J. Oloya, I. Miclaus and F.A. Ishengoma, *The Agricultural Economy of Namibia: Structure and Strategy Options for Development*, (Lusaka, United Nations Institute for Namibia, 1983), p. 86.
7. See reference 2, p. 11.
- 8-9. United Nations Centre on Transnational Corporations, *Role of Transnational Corporations in Namibia*, (New York: UNCTC, August 1982), p. 125.
10. OIL, *Annual Report 1979*, p. 15.
11. *Financial Mail*, Namibia Survey, 22 July 1983, p. 35.
12. Mburumba Kerina, *Namibia: The Making of a Nation*. (New York, Books in Focus Inc., 1981), p. 231.
13. See reference 2, p. 16.
- 14-15. OIL, *Annual Report 1979*.

XVII. SOUTH AFRICAN COAL, OIL AND GAS CORPORATION LTD

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A. BACKGROUND

<i>Name of parent:</i>	SASOL Ltd (South African Coal, Oil and Gas Corporation).
<i>Namibian subsidiary:</i>	None.
<i>Registered office:</i>	South African Coal, Oil and Gas Corporation (SASOL), Avril Malan Building, 57 Commissioner Street, P.O. Box 5488, Johannesburg, 2001.
<i>Telephone number:</i>	(011) 836-7414 or (011) 211-9445.
<i>Date incorporated:</i>	1950.
<i>Bankers:</i>	1. Volkskas, and 2. Reserve Bank of South Africa.
<i>Rank by assets in field of operation:</i>	R 1,257.5 million in 1981. It is the largest oil-from-coal plant in the world. By assets, SASOL is the sixth largest company in South Africa.
<i>Total number of employees:</i>	14,810.
<i>Total number of shareholders:</i>	26,925 as of 1981.
<i>Shareholder information:</i>	The State owns 30 per cent and the public 70 per cent of all SASOL. IDC/Konoil owns 10 per cent.

B. OPERATIONS

1. SASOL is a South African parastatal. SASOL was established in 1950. It was financed by private and state capital through the Industrial Development Corporation (IDC). The SASOL plant, located in a town named Sasolburg, came into production in 1955. Its charge was to manufacture petroleum products from coal.¹ It expanded to convert imported naphtha into ethylene for the plastics industry.² In 1956, it opened a fertilizer plant capable of supplying almost half the country's nitrogenous fertilizer needs. SASOL also owns 50 per cent of a new oil refinery being built near Sasolburg. Two hydrocarbon synthesis processes are used, one of American design and one of German design.³

2. As a basic chemicals plant, SASOL is intricately intertwined with and stimulates the rest of South Africa's manufacturing sector. It co-operates closely with private companies. As the South African yearbook declares,⁴ "SASOL's policy is to stimulate, as far as possible, secondary manufacturing industries based on its products. The result has been the establishment of a number of industries in the close vicinity. This giant chemical complex includes factories for the production of compound fertilizers, poly-ethylene, PVC, cyanide, arctons, synthetic rubber and raw materials for the manufacture of soft detergent."⁵

3. As a result of the oil crisis of 1973, the Pretoria régime requested SASOL to investigate the possibility of erecting a second oil-from-coal plant with a larger capacity for the production of liquid fuel. As a result of the study, the government authorized an extension to SASOL Two, namely SASOL Three situated in Secunda. Sasol Two started production in 1980 and full production was achieved in 1982. SASOL Three started production in 1982 and was expected to reach full production at the end of 1984.⁶

4. SASOL Ltd is the holding company for the SASOL Group of companies. Through its subsidiary GASCOR, SASOL markets products mainly within South Africa, Namibia, Zimbabwe, Botswana, Lesotho, Zambia, Mozambique and Swaziland. Petroleum refining is done by its subsidiary, the National Petroleum Refiners of South Africa Ltd (NATREF) which was established in 1967.⁷ The crude oil which is processed by NATREF, provides a wide range of petroleum products, for example, liquid petroleum gas, petrol, paraffin, diesel oil, jet fuel, light and heavy fuels, bitumen and sulphur. SASOL Ltd and its subsidiaries have emerged to be the most vital fuel and petro-chemical industries in South Africa. Its utility within the South African industry and State has immense military and strategic implications throughout southern Africa.

C. STRUCTURE OF CORPORATION

5. The history of the SASOL Group started in 1950 with the establishment of a synthetic fuels-from-coal industry at Sasolburg and the incorporation of South African Coal, Oil and Gas Corporation Ltd, now known as SASOL One (PTY) Ltd. SASOL One is a wholly owned subsidiary of SASOL Ltd. During the 1960s, SASOL diversified into the fields of petrochemicals, fertilizers, gas supply and crude oil refinery through NATREF. The SASOL Group currently operates a highly developed and integrated series of plants to produce a complete range of liquid fuel from coal and crude oil, pipeline gas, and petrochemicals from coal

and petroleum feedstocks. Through its subsidiaries GASCOR, SASOL Marketing Company, Allied Tar Acid Refiners and Tosas Ltd, it markets its products all over Namibia and southern Africa.⁸ Table 1 lists 12 subsidiaries.

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, SASOL LTD

Subsidiary	Percentage owned by parent
SASOL One (Pty) Ltd.....	100
SASOL Two (Pty) Ltd.....	50
SASOL Three (Pty) Ltd.....	50
National Petroleum Refiners of South Africa (Pty) Ltd.....	52.5
South African Gas Distribution Corp. Ltd.....	50
SASOL Marketing Company Ltd (SMC).....	100
SASOL FERTILIZERS SECUNDA (Pty) Ltd ...	100
SASOL TECHNOLOGY (Pty) Ltd (SASTECH)	100
Tosas (Pty) Ltd.....	70
Allied Tar Acid Refiners (Pty) Ltd (ATAR).....	75
SASOL TOWNSHIPS Ltd (SDP).....	100
SASOL (Transvaal) Townships Ltd.....	100

Source: SASOL Annual Report, 1981.

D. ECONOMIC INFORMATION

6. The nature of SASOL Ltd involvement in Namibia is exploration and distribution of petroleum, petrochemical products, fertilizers, diesel oil, sulphur, paraffin and bitumen. Table 2 summarizes its financial status in 1981-1982.

7. The SASOL Ltd does not have separate subsidiaries as such based in Namibia.⁹ NATREF; ATAR; GASCOR; TOSAS; SASOL Fertilizers Ltd and the SASOL Marketing Company (SMC) are all directly involved in Namibia.¹⁰ The SASOL Group markets petrochemical products, diesel oil, liquid petroleum gas, petrol, paraffin, jet fuel, heavy fuels, sulphur, fertilizers, phenols, vaseline, light and heavy fuels and bitumen.¹¹

8. The turnover of SASOL products marketed in 1981 amounted to R 1,462 million. Of this figure, South Africa and Namibia's share was R 1,372 million. Other African countries accounted for R 69 million.¹² The

remaining R 21 million was sold overseas.¹³ In the same year, chemical sales alone contributed about R 240 million. A significant amount of the chemicals were sold to Namibia.

9. In addition to selling SASOL products in Namibia (starting in 1955), SASOL together with the Industrial Development Corporation financed the South African Exploration Corporation which has been prospecting for oil in Namibia and South Africa.¹⁴

10. No information on employment conditions is available.

TABLE 2. FINANCIAL SUMMARY, SASOL LTD
(Millions of rand)

Economic data	1981	1982
Total assets.....	1 257.5	1 444
Gross revenues.....	1 462	1 691
Income before taxes.....	282	348
Taxes.....	115	147
Net income after taxes.....	167	201
Shareholder equity.....	760	857
Long-term debt.....	52	51

Source: SASOL, Annual Report, 1981 and 1982.

REFERENCES

1. South Africa Department of Information, *South Africa 1982: Official Yearbook of the Republic of South Africa* (Johannesburg, Chris van Rensburg Publishers, 1982), p. 436.
2. Ann and Neva Seidman, *South Africa and United States Multinational Corporations*, (Westport, Connecticut, Lawrence and Company, 1978), p. 64.
- 3-4. DaGama Publishers Ltd, *State of South Africa: Economic, Financial and Statistical Yearbook for the Republic of South Africa*, (Johannesburg: DaGama Publishers (Pty) Ltd, 1973), p. 25.
5. See reference 2.
6. See reference 1, p. 437.
7. See reference 1, p. 438.
8. SASOL Limited, *1981 Annual Report*, p. 7.
9. *Ibid.*, 1981 Annual Profile, p. 6.
10. See reference 1, p. 438.
- 11-12. See reference 8, p. 3, 7.
- 13-14. See reference 1, p. 438.

XVIII. SOUTH AFRICAN MARINE CORPORATION

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A. BACKGROUND

<i>Name of parent:</i>	South African Marine Corporation (SAFMARINE).
<i>Namibian subsidiary:</i>	None.
<i>Registered office:</i>	SAFMARINE, P.O. Box 27, Cape Town, 8000, South Africa.
<i>Telephone numbers:</i>	Cape Town 213011, Namibia 37946.
<i>Date incorporated:</i>	1946 in Pretoria.
<i>Bankers:</i>	1. Reserve Bank of South Africa, 2. Volkskas, and 3. Nedbank.
<i>Rank by assets in field of operation:</i>	SAFMARINE is among the top seven South African Shipping Companies.
<i>Total number of employees:</i>	3,000.
<i>Shareholder information:</i>	It is a wholly owned corporation of the South African government.

B. OPERATIONS

1. SAFMARINE was established in 1946 by the Pretoria régime. It has developed into a large trans-oceanic shipping company serving all the major sea routes in South Africa and Namibia.¹ SAFMARINE ranks thirteenth by assets among South African corporations. It contributes about 200 million rands per annum to the South African foreign exchange earnings.

2. Since SAFMARINE commenced its service to American ports in 1946, with three wartime vessels, it now has in service fast cargo vessels equipped with the latest modern equipment. SAFMARINE calls on American, Canadian, Latin American, Western European and Caribbean ports. After acquiring the Springbok Shipping Company in 1961, SAFMARINE extended its services to Scandinavian and Oriental ports.²

3. In 1969, SAFMARINE entered into a 50/50 partnership with Royal Inter-ocean Lines and began a joint regular cargo service between South Africa and Australia.³ This partnership provides scheduled con-

tainer services to Sydney, Melbourne, and Freemantle, and to Port Louis in Mauritius.

4. Not only is SAFMARINE engaged in mailship service, it also builds ships. It started building ships in the early 1960s. Some of the details of the business activities of SAFMARINE are:

- (1) Acquisition with other partners of a 154,400 d.w.t. bulk ore/oil carrier which came into service in April 1974; a sister ship built in Japan was put into service in late 1976;
- (2) Acquisition of two giant deep-sea salvage/rescue tugs at a cost of R 12 million specifically to assist oil tankers which encounter problems along South Africa's coastline, and also to do commercial work;
- (3) Lengthening of some of its new-generation cargo vessels to carry 200 containers each on routes which do not warrant a complete container service;
- (4) Investment of about R 400 million in new container vessels and containers on the European routes alone, and a substantial investment in containerization of other routes.⁴
- (5) Through its 50 per cent shareholding in Freight Service Holdings, SAFMARINE is also closely associated with travel, transportation, clearing, forwarding, air freight, stevedoring, airlines and shipping services.

C. STRUCTURE OF CORPORATION

5. The South African Marine Corporation is wholly owned by the Pretoria régime. The régime-owned Industrial Development Corporation and the South African Parliament have financed SAFMARINE since it was created. SAFMARINE is involved in shipping South African imports and exports; in fishing, including lobsters and pelagic fish in both South Africa and Namibia; in ship building; in the strengthening of the South African navy; in fuel oil, passengers and other commercial activities. Table 1 list 10 subsidiaries.

D. ECONOMIC INFORMATION

6. The nature of South African Marine Corporation involvement in Namibia is shipping and mailship service. Table 2 summarizes its financial status from 1974 to 1982.

7. SAFMARINE's operations in Namibia consist primarily of providing transportation between the port of Walvis Bay and other ports throughout the world. The corporation plays an important role in the export of

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, SOUTH AFRICAN MARINE CORPORATION

<i>Subsidiary</i>	<i>Percentage owned by parent</i>
Unicorn Shipping Lines.....	40
Royal InterOcean Lines.....	50
Freight Services Holdings.....	50
South African Sugar Carriers.....	65
Safbulk	—
Springbok Shipping Company.....	50
Union Castle Line	—
South African Ocean Lines	60
South African Lines	50
Capricorn Lines.....	50

Source: *Moody's International Investors Service*, 1983.

Namibia's raw materials, providing transportation to the United Kingdom, Continental ports, Mediterranean ports, United States Atlantic and Gulf ports, the Far East, Australia and Africa.

TABLE 2. FINANCIAL SUMMARY, SOUTH AFRICAN MARINE CORPORATION
(Millions of rand)

<i>Economic data</i>	<i>United Nations Decree No. 1 1974</i>	<i>1978</i>	<i>1981</i>	<i>1982</i>
Total assets.....	128	411	504	570
Gross revenues.....	151	219	565	724
Income after taxes....	36	18.5	49	46.5
Shareholder equity...	41	74	183	211
Long-term debt.....	72	283	233	238

Source: SAFMARINE, *Annual Report*, 1982.

REFERENCES

1. South Africa Department of Information, *South Africa 1982: Official Yearbook of the Republic of South Africa* (Johannesburg, Chris van Rensburg Publishers, 1982), p. 401.
- 2-3. South Africa Department of Information, *South Africa Yearbook, 1976*, (Johannesburg: Perskor Printers, 1976), p. 415.
4. See reference 1.

XIX. SOUTH AFRICAN RAILWAYS AND HARBOURS CORPORATION

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A. BACKGROUND

<i>Name of parent:</i>	South African Railways and Harbours Corporation.
<i>Namibian subsidiary:</i>	None.
<i>Registered office:</i>	South African Railways and Harbours Corp., Department of Transportation, Forum Building, Struben Street, Pretoria. (Private Bag X193, 001 Pretoria.)
<i>Telephone numbers:</i>	Pretoria: 39111, 34081; Windhoek: 37066.
<i>Date incorporated:</i>	31 May 1910.
<i>Bankers:</i>	Reserve Bank of South Africa.
<i>Rank by assets in field of operation:</i>	R 9,968 million in 1980.
<i>Total number of employees:</i>	266,703.

B. OPERATIONS

1. The South African Railways and Harbours Corporation came into existence on 31 May 1910, through an Act of Parliament of South Africa. In 1922, the railways and harbours of South West Africa were also placed under its jurisdiction by the South African régime. Since then, they have been administered as an integral part of the South African Railways and Harbours Corporation (SARH). The corporation consists of the following: a national railway system; a comprehensive road transport service, the principal harbours, the South African Airways; and two pipelines for the conveyance of petroleum products.¹

2. The SARH is owned and controlled by the South African régime. It functions as a department under the Ministry of Transport Affairs. This Ministry also controls another state organization, the Department of Transportation Affairs. The functions of the SARH include the division of Civil Aviation, Marine, Weather Bureau, and National Roads. The South African Railways and Harbours organization is administered by a Railways and Harbours Board. The Department is required to operate its services—railways, harbours, air-

ways, road transport, pipelines and other ancillary services—on business principles, maintaining a balance between revenue and expenditures.²

3. Although the net investment programme is mainly financed by the South African Treasury and foreign loans, the SARH provides some of its own capital for expansion projects.

C. STRUCTURE OF CORPORATION

4. The SARH Corporation operates in Namibia on the same basis as it does in South Africa. It is one of the largest business undertakings in South Africa and Namibia. SARH annually acquires large consignments of timber, concrete sleepers, rails, rolling stock, coal, stationery, spare parts, and other items from local sources. SARH has extensive business activities and agreements within the southern African region. These arrangements are with Mozambique, Zimbabwe, Botswana, and Swaziland railways whereby the over-border working of trains is facilitated. For local control purposes, the railway network is divided into ten geographical areas or systems, each under the control of a system manager. Local headquarters are in Johannesburg, Pretoria, Cape Town, Port Elizabeth, East London, Durban, Bloemfontein, Kimberley, Windhoek, and Saldanha. SARH also controls and administers the South African Airways (SAA).³

5. SARH annually carries passengers and acquires large consignments of timber, concrete, sleepers, rails, rolling stock, coal, tin, zinc, stationery, spare parts and general merchandise goods from local sources.

6. SARH is contracted to carry railway passengers going to and from Namibia. Railway cargo destined for Namibia is also carried by the South African Railways and Harbours. It also contracted to carry mail. SARH's statistical data for the volume of goods and number of people it handles are combined with those for South Africa.

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1. South Africa Department of Information: *South Africa 1982: Official Yearbook of the Republic of South Africa*, (Johannesburg, Chris van Rensburg Publishers, 1982), P. 391.
2. South African Railways and Harbours, *Annual Report*, 1970, p. 391.
3. South African Railways and Harbours, *Annual Report*, 1974.

XX. SOUTHERN OIL EXPLORATION CORPORATION (PTY) LIMITED

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Southern Oil Exploration Corporation (Pty) Limited (SOEKOR).
<i>Namibian subsidiary:</i>	South West Africa Oil and Exploration Corp. (SWAKOR).
<i>Registered office:</i>	Southern Oil Exploration Corporation (Pty) Ltd, SOEKOR Bldg., Jorissen and Melle St., Braamfontein, Johannesburg.
<i>Telephone number:</i>	724-7307.
<i>Date incorporated:</i>	1965.
<i>Bankers:</i>	2. Volkskas, and 2. Barclays.
<i>Shareholder information:</i>	SOEKOR is owned 50 per cent by the Industrial Development Corporation ¹ and 49 per cent by SASOL Limited.

2. Operations

1. South Africa has almost every imaginable important mineral in abundance - except oil. Reluctant to believe that South Africa had no worthwhile oil resources, the South African régime through IDC and SASOL created the South African Oil Exploration Corporation (SOEKOR) in 1975, to undertake, encourage and coordinate with private companies an extensive search for oil in Namibia and South Africa.²

2. SOEKOR is controlled by a board whose seven members are nominated by the government, SASOL and the Industrial Development Corporation. SOEKOR and various private undertakings have extensively explored South Africa and Namibia and the off-shore continental shelf for oil and natural gas.³ Expenditure in the search during the 1980/81 financial year amounted to R 76 million. There are two rigs currently operating offshore: The *Sedco 708* on the West Coast; and the *Sedcok* in the Mossel Bay area.⁴

3. In December 1980, an important find was made in the borehole F-A2 off Mossel Bay, yielding 1.58 mil-

lion cubic meters of gas and 1,200 barrels of oil per day.⁵ This followed the discovery of gas off Plettenberg Bay in 1969 by the Superior Oil Company (USA) and around the mouth of the Orange River in 1974, by the Chevron Group. It should be noted that none of these potentially viable discoveries have, however, been fully tested to date (1983), but they and other promising indications have been sufficient to justify accelerated exploration of the most promising offshore area in the Mossel Bay/Plettenberg Bay area, and off the west coast. The land search has been terminated, yielding minor shows only, and the offshore search is now receiving top priority.⁶

4. Presently, overseas investment in SOEKOR has been a failure because of stepped-up guerrilla activity by SWAPO.⁷

3. Structure of corporation

5. SOEKOR, the State-owned corporation, in its role of promoting critical new oil projects, is an oil-prospecting and drilling company which is expected to contribute to South Africa's efforts to reduce its dependence on oil producing and exporting countries.⁸ SOEKOR has a subsidiary, SWAKOR, which operates in Namibia. It grants oil and prospecting licences and is financed by the South African régime.⁹

B. SUBSIDIARY OPERATING IN NAMIBIA

1. Basic data

<i>Name of subsidiary:</i>	South West Africa Oil and Exploration Corporation (SWAKOR).
<i>Address in Namibia:</i>	SWAKOR, Windhoek, Namibia.
<i>Date established:</i>	1968.
<i>Date operations commenced:</i>	1969.
<i>Bankers:</i>	Volkskas.
<i>Common stocks:</i>	100 per cent owned by SOEKOR.

2. Summary of operations

6. SOEKOR through the territorial administration established SWAKOR in Namibia.¹⁰ Immediately following its establishment, SWAKOR granted eight oil concession areas, covering almost 90,000 square miles (230,000 square kilometres) to the following corporations: Shell; British Petroleum; De Beers Consolidated Mines; Société Nationale de Pétrolé d'Aquitaine; Mining and Exploration Company; Syracuse Oils; and Woodford Oil Gas Company.¹¹

7. It should be noted that before creation of SWAKOR, SOEKOR had granted licences for oil exploration to Etosha Petroleum Company covering

100,000 square miles (260,000 square kilometres) in the northern part of the country. By the end of 1969, drilling had started.¹²

8. Coal has been found in Karoo rocks near Toscanini, 230 kilometres northwest of Swakopmund. It is suggested that if oil and gas are present, they should be in the deep rock basins. Single boreholes drilled by Etosha were not deep enough. A well off Oranjemund showed wet gas and condensate - revealing the existence of gas.¹³

9. SWAKOR has been prospecting for oil, gas and minerals in Namibia since 1969. SWAKOR and SOEKOR have granted prospecting licences to numerous Western European, American and South African based transnational corporations operating in Namibia. Coal and gas finds have been confirmed. In general, Namibia's prospects for huge economic gas fields appear fair, but there is no real evidence to justify optimistic prognosis with regard to petroleum.¹⁴

10. One of the major problems in exploration has been the secrecy that the régime has imposed. Although there are speculations that oil has been found in Nami-

bia, the Pretoria régime has neither denied nor confirmed the reports.¹⁵

11. No information on employment conditions is available.

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XXI. VOLKSKAS GROUP LIMITED

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A. PARENT CORPORATION

1. Background

<i>Name of parent:</i>	Volkskas Group Limited.
<i>Namibian subsidiary:</i>	Volkskas SWA/Namibia Limited.
<i>Registered office:</i>	Volkskas Centre, Strijdom Square, 230 Van der Walt Street, Pretoria 0002.
<i>Telephone number:</i>	(011) 21-5741/9.
<i>Location other than registered office:</i>	Johannesburg.
<i>Bankers:</i>	Volkskas.
<i>Assets in field of opera- tion:</i>	R 4,630,195.
<i>Shareholder information:</i>	Rembrandt Group Beperk holds a 20 per cent interest. ¹

2. Operations

1. Volkskas Limited is a wholly owned subsidiary of the Volkskas Group. It is the largest of the three Afrikaner banking groups in South Africa. Since its establishment, the bank has retained close ties with the South African régime.²

2. The company through its subsidiaries is involved in the following operations: merchant, commercial and general banks; property; investment holding, coin dealers; sawmill construction; pension brokers; agriculture; franchise import; dealer; manufacturing, cultivation of tea; steel trader; hire-purchase; financing; sugar refining; forestry; property trust managers; insurance brokers; fleet management services.³

3. Although transnational banking corporations in Namibia and South Africa have traditionally concentrated in commercial banking, their activities have been diversified to include merchant banking, discounting

and leasing, insurance, pension funds and mutual funds.⁴ Although the bank is diversifying and expanding, it is not growing as fast as the Nedbank. Volkskas is not aggressively expanding internationally.

3. Structure of corporation

4. Volkskas is a holding company whose business subsidiaries provide the following services: full range of commercial banking services; hire-purchase; leasing and block discounting facilities; participation on mortgage bond and bond investment; full range of trust company services; full range of building society services; corporate leasing and suspensive sale financing; and travel and entertainment card facilities.⁵ Table 1 lists nine subsidiaries.

5. Through its banking subsidiaries, Volkskas Ltd has 274 branches and 364 agencies throughout South Africa.⁶ Through its diversified industrial subsidiaries, Volkskas has facilities in Vereeniging, Alrode, Durban, Windhoek, Pietmaritzberg, East London, Cape Town, Bloemfontein and Bedfordview. It has one banking subsidiary in Namibia.⁷

TABLE 1. MAJOR NON-NAMIBIAN SUBSIDIARIES, VOLKSKAS GROUP LIMITED

<i>Subsidiary</i>	<i>Percentage owned by parent</i>	<i>Total assets, 1982</i>
Volkskas Merchant Bank	—	—
Volkskas Ltd.....	100	R 4 630 195
Volkskas Savings Bank Ltd	—	—
Volkskas Industrial Bank Ltd	—	—
Volkskas Trust Ltd.....	—	—
Volkskas Commercial Properties Ltd....	—	—
Volkskas Industries Ltd.....	—	—
Volkskas Insurance Brokers (Pty) Ltd ..	100	—
Transvaal Sugar Corporation	—	—

Source: Johannesburg Stock Exchange, 1982.

4. Economic information

6. The nature of Volkskas Group Limited involvement in Namibia is banking. Table 2 summarizes its financial status from 1978 to 1982.

TABLE 2. FINANCIAL SUMMARY, VOLKSKAS GROUP LIMITED
(Millions of rand)

<i>Economic data</i>	<i>1978</i>	<i>1981</i>	<i>1982</i>
Total assets	2 932	4 770	6 069
Net income after taxes	—	44.9	56.9
Shareholder equity	131	279	336
Long-term debt.....	—	8.2	8.9

Source: Volkskas Group Limited, *Annual Report*.

B. SUBSIDIARY OPERATING IN NAMIBIA

1. Basic data

<i>Name of subsidiary:</i>	Volkskas SWA/Namibia Limited.	
<i>Address in Namibia:</i>	Volkskas SWA, Kaiser Street, Windhoek, Namibia.	
<i>Date established and operations commenced:</i>	1978.	
<i>Bankers:</i>	Volkskas.	
<i>Shareholder information:</i>		
	<i>Company</i>	<i>Percentage held</i>
	Volkskas Limited.....	25
	Citizens Group SWA/Namibia	74.9

2. Summary of operations

7. Volkskas (SWA) Namibia is the only part of the Volkskas Group based in Namibia. Its customers are mostly white Afrikaners based in Windhoek and the surrounding vicinity. The Bank is involved in commercial and merchant banking general services, property holding and leasing, hire-purchase, providing loans to whites for business expansion, coin dealing, insurance brokers, financial management, and mortgage and real estate financing.

8. Accurate information concerning South African corporations operating in Namibia is selectively released by the South African régime. This makes it difficult to have accurate data on all the operations of Volkskas. There are no data indicating what proportion of the corporate surpluses generated in Namibia are banked with local branches or in South Africa. Table 3 lists its assets and long-term debt.

9. Although Volkskas SWA is heavily patronized by Afrikaners, large mining houses continue to bank with the Standard Bank and the Barclays Banks.

10. The bank has seven branches and ten agencies, all of which were managed until 30 June 1982, by Volks-

kas Limited. Volkskas reports that in 1982 a group of "SWA/Namibia citizens" bought a 74.9 per cent interest in the bank. The bank's name has since been changed to Bank Windhoek Limited.⁶

11. Volkskas Namibia has only one branch in the entire Territory. Although Volkskas Group of Companies has insurance companies, the Volkskas Namibia has none.

TABLE 3. ASSETS AND LONG-TERM DEBT, VOLKSKAS SWA LTD
(Millions of rand)

<i>Economic data</i>	<i>United Nations Decree No. 1 1974</i>	<i>1978</i>	<i>1981</i>	<i>1982</i>
Total assets	—	—	—	546.4
Long-term debt.....	1.5	2.0	1.5	1.2

3. Employment conditions

12. Although the company has not disclosed the actual number of African employees, there is evidence that almost all the Africans are contract employees. The Volkskas Bank in Windhoek does not have skilled Africans on its staff. All Africans are menial workers. The Bank does not, as of 1983, have Africans in training to take skilled jobs with Volkskas.

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ANNEXES

Annex I

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A. DIRECTORS OF WEST EUROPEAN CORPORATIONS (PART ONE)

- 1a. Parent: Barclays Bank PLC (Pt. 1, Ch. I)
(Source: Reference 39, Chapter I)

Chairman

Mr. Timothy Hugh Bevan (1980-): Born 24 May 1927; Director Barclays Bank Ltd 1966, Vice-Chairman 1968, Deputy Chairman 1973, Elected Chairman 1980.

Deputy Chairmen

Mr. Henry Uvedale Lambert (1978-): Vice-Chairman 1973, Deputy Chairman 1978-, Chairman, Barclays Bank International Limited 1978-.

Mr. Deryk Vander Weyer (1980-): Born 21 January 1925; Assistant General Manager 1968; General Manager 1969, Senior General manager 1973; Vice Chairman 1977; Deputy Chairman 1980.

Secretary

Mr. Phillip Perry (1981-)

Group Chief Accountant

Mr. David Garlick (approx. 1972-)

Other leading directors past and present

Sir Anthony Tuke: Director, Barclays Bank PLC; former Chairman, Barclays Bank 1973 to 1981; Chairman, Rio Tinto-Zinc Corp. 1981-

Lord Carrington: Director 1974 to 1979, former Secretary of State for Foreign and Commonwealth Affairs 1979 to 1982.

Lord Seebom: Director 1947 to 1979; Deputy Chairman 1968 to 1974; Chairman, Barclays DCO 1965 to 1972; former Chairman, Industrial and Commercial Finance Corporation Ltd; former Chairman, Finance Corporation for Industry Ltd.

- 1b. Namibian subsidiary: Barclays National Bank Ltd, South Africa and Barclays National Local Board, Namibia (Pt. 1, Ch. I)
(Source: References 40-43, Chapter I)

For Barclays National Bank Ltd, South Africa

Chairman

Mr. J. M. Barry (1975–): Deputy Chairman, Barclays National Bank 1971 to 1975, Chairman 1975–, Director, Barclays Bank International 1975–.

Deputy Chairman

Mr. B. E. Hersov (approx. 1980–): Director, Barclays National Bank 1978, Deputy Chairman approx. 1981; Representative of Barclays National Bank on South African Defence Advisory Board 1981–.

Vice-Chairman

Mr. J. O. Thompson (1977–): Former Chairman, Barclays Bank of Nigeria Ltd 1969 to 1973, Director, Barclays National Bank 1973–, Vice-Chairman 1977–.

Managing Director

Mr. C. H. Waterson (1982–): Manager, Barclays Bank DCO 1963–68; Manager, Barclays Bank International, London 1970–73; Director, Barclays National Bank Ltd approx. 1980.

Other leading directors

Sir Anthony Tuke (approx. 1968–): Chairman, The Rio Tinto-Zinc Corporation PLC 1981–, former Chairman, Barclays Bank PLC 1973–81, Director, Barclays National Bank Ltd approx. 1968–.

For Barclays National Local Board in Namibia

Chairman

Mr. D. B. Hoffe (approx. 1980–)

General Manager

Mr. S.C. Schofield (1982–)

Other leading directors

Mr. D. O. Mathews: Director, Namibia Board Barclays National Bank; Director, Oamites Mining Co. (Pty) Ltd; Life Member Chamber of Mines of S.W.A.

- 2a. Parent: British Petroleum Company PLC (Pt. 1, Ch. II)
(Source: References 61–65, Chapter II)

Chairman

Mr. P. I. Walters (1981–): Born 1931; joined B.P. Board 1972; President, General Council British Shipping 1977–78; President, Institute of Manpower Services 1980–; Deputy Chairman, B.P. 1980–81; Chairman, B.P. approx. November 1981.

Deputy Chairman

Mr. R. W. Adam (1981–): Born 1923; joined B.P. Board 1974; President, B.P. North America 1969–72; Director B.P. Trading Ltd 1973–81; Deputy Chairman, B.P. 1981.

Secretary

Mr. J. E. Wedgebury (1979–)

Other leading directors past and present

Lord Anthony Barber: Chairman, Standard Chartered Bank PLC; former Chancellor of the Exchequer 1970–1974; appointed to B.P. Board as one of two United Kingdom Government nominated directors 1979–.

Sir Lindsay Alexander: Chairman, Lloyds Bank International PLC 1980–; Chairman, Ocean Transport and Trading Ltd 1971–80; appointed to B.P. Board 1974–.

Mr. Tom Jackson: Former General Secretary Union of Post Office Workers; appointed to B.P. Board as one of two United Kingdom Government nominated directors 1975–.

- 2b. Namibian subsidiary: B.P. South West Ltd (Pt. 1, Ch. II) (Reference also made to personnel of B.P. Southern Africa (Pty) Ltd and Shell and B.P. South African Petroleum Refineries (Pty) Ltd associated with the operations of B.P. South West)
(Source: Reference 66, Chapter II)

Chairman

Mr. I. J. Simms (approx. 1981–): Born 1927; Chairman, B.P. Southern Africa (Pty) Ltd; Chairman, B.P. South West Ltd; Chairman, B.P. Southern Oil Ltd; Chairman, B.P. Botswana (Pty) Ltd; Chairman, B.P. Lesotho (Pty) Ltd; Chairman B.P. Swaziland (Pty) Ltd; Chairman, B.P. Botswana Exploration (Pty) Ltd; Chairman, B.P. Coal Southern Africa (Pty) Ltd; Chairman, B.P. Centre Nominees (Pty) Ltd; Director, Shell and B.P. South African Petroleum Refineries (Pty) Ltd; appointed approximately 1981 as Chief Executive of B.P. companies in southern Africa.

Directors of B.P. Southern Africa (Pty) Ltd and Shell and South African Petroleum Refineries (Pty) Ltd

Mr. M. J. Schonegevel: Born 1935; Administrative Director, B.P. Southern Africa (Pty) Ltd, position still held in 1982–.

Mr. B. A. Beeming: Born 1930; Director, B.P. Southern Africa (Pty) Ltd; Director, Shell and B.P. South African Petroleum Refineries (Pty) Ltd, position still held 1982–.

Mr. K. L. G. Geeling: Born 1929; Chairman and Managing Director, Shell South Africa (Pty) Ltd; Chairman, Shell Oil South West Africa; Director, Shell and B.P. South African Petroleum Refineries (Pty) Ltd 1973; Chief Executive of all Shell interests in southern Africa 1973–.

- 3a. Parent: Commercial Union Assurance Company PLC (Pt. 1, Ch. III)
(Source: References 23–25, Chapter III)

Chairman

Sir Francis Sandilands CBE (retired 1983): Born 1913; joined Commercial Union Assurance Company PLC 1935; Chief General Manager 1958–72, Vice Chairman 1968–72, Chairman 1972–; Director, Imperial Chemical Industries PLC 1975–; Plessey Company PLC (telecommunications) 1976; Kleinwort Benson Lonsdale PLC (bankers) 1976–.

Chief Executive

Mr. C. R. Harris (approx. 1979–)

Deputy Chairman

Mr. A. B. Marshall Appointed Deputy Chairman at end of 1982; appointed Chairman 1983.

Secretary

Mr. C. T. Spratt (approx. 1979–)

Other leading directors past and present

Sir Peter Ramsbotham GCMG, GCVO (1980–): Born 1919; First Secretary Foreign Office 1950–53; member, United Kingdom delegation to United Nations 1953–57; Head of Chancery British Embassy Paris 1963–67; Ambassador to Iran 1971–74; Ambassador to United States 1974–77; Governor of Bermuda 1977–80; Director, Commercial Union Assurance Company PLC 1980–.

- 3b. Namibian subsidiary: Commercial Union Assurance Company (Pt. 1, Ch. III)
(Source: Reference 26, Chapter III)

Local Manager

Mr. J. C. Steyn (Appointed prior to 1979)

- 4a. Parent: Consolidated Gold Fields PLC (Pt. 1, Ch. IV)
(Source: Reference 139, Chapter IV)

Chairman and Chief Executive

Mr. R. I. J. Agnew (1983–): Joined Consolidated Gold Fields 1957, Director 1973, Deputy Chairman and Deputy Chief Executive 1977, Deputy Chairman and Chief Executive 1978, Chairman and Group Chief Executive 1983–.

President

Right Honourable the Lord Eroll of Hale (1983–): Born 1914; Economic Secretary Treasury 1958–59; Minister of Power

1963–64; President, British Export Houses Assoc. 1968–72; Director, Consolidated Gold Fields 1968, Chairman 1976–83, President 1983–.

Deputy Chairman

Mr. P. P. Dunkley (1983–): Born 1922; Non Executive Director, Samuel Montagu & Co (finance company); Director, Consolidated Gold Fields 1979, Non Executive Deputy Chairman 1983–.

Managing Director, Finance

Mr. A. P. Hichens (1981–): Born 1936; joined Consolidated Gold Fields 1981, Managing Director, Finance 1981–.

Managing Director, Operations

Mr. J. H. A. Wood (1979–): Appointed Director, Consolidated Gold Fields and Managing Director, Operations 1979–.

- 4b. Namibian subsidiary: Gold Fields South Africa Ltd (Pt. 1, Ch. IV) (in respect of the company's management of Gold Fields Namibia Ltd, its 100 per cent owned subsidiary, and its prospecting activities for Namibian mineral resources) (Source: Reference 140, Chapter IV)

Chairman

Mr. R. A. Plumbridge (1980–): Born 1935; joined Gold Fields of South Africa Ltd 1957, Executive Director 1969, Chairman and Chief Executive 1980–; Non Executive Director, Consolidated Gold Fields 1980–; Director, Zinc Corporation of South Africa Ltd approx. 1980–; President, Chamber of Mines of South Africa 1973–74, 1976–77.

Deputy Chairman

Mr. P. W. J. van Rensburg (1980–): Born 1921; joined Gold Fields of South Africa Ltd 1955, Manager 1969, General Manager 1975, Executive Director 1979, Deputy Chairman 1980–.

Executive Director Gold Operations

Mr. C. T. Fenton (1980–): Born 1934; joined Gold Fields of South Africa Ltd 1975, General Manager 1979, Executive Director, Gold Operations 1980–.

Executive Director Base Metal and Mineral Operations

Mr. A. M. D. Gnodde (1980–): Born 1928; Executive Director approximately 1972, Executive Director, Base Metal and Mineral Operations 1980–; Chairman, Union Tin Mines Ltd; Chairman, Rooiberg Tin Ltd; Apex Mines Ltd.

General Manager Coal and Base Metal Operations

Mr. M. B. Forsyth (approx. 1980–): Born 1932; General Manager approximately mid-1970s, General Manager, Coal and Base Metal Operations approximately 1980; Chairman, Zinc Corporation of South Africa Ltd 1980; Director, Apex Mines Ltd; Union Tin Mines Ltd; Director, South West Africa Company Ltd.

Secretary

Mr. D. C. Sykes (approx. 1976–1979)

- 4c. Namibian subsidiary: Tsumeb Corporation Ltd (Pt. 1, Ch. IV) (although Tsumeb is 43.0 per cent owned by Gold Fields South Africa Ltd, the following management personnel are directly responsible for the company's base metal mining operations in Namibia) (Source: Reference 141, Chapter IV)

Chairman

Mr. P. Malozemoff

General Manager

Mr. H. A. R. Meiring

Mining Officer

Mr. W. H. Stheeman

Engineering Officer

Mr. P. F. du Preez

Human Resources and Technical Services Officer

Mr. R. Gevers

Metallurgy Officer

Mr. W. C. J. Ventner

Secretary and Manager—Administration

Mr. A. B. Houghton

- 5a. Parent: Dresdner Bank AG (Pt. 1, Ch. V) (Source: Reference 51, Chapter V)

Chairman

Mr. Helmut Haeusgen (1978–): Born 1916; joined Dresdner Bank AG 1938; elected to Board of Directors 1964; Chairman, Board Directors 1977; Chairman, Supervisory Board 1978–; member of several national and international corporations.

Deputy Chairman

Mr. Helmut Kahmer (Approx. 1977–)

Managing Director

Dr. Hans Friderichs (1978–): Born 1931; Business Manager, Free Democratic Party (FDP) 1964–69; FDP member, Federal Republic of Germany Bundestag 1965–69, 1976–77; Secretary of State; Minister of Agriculture 1969–72; Director, Dresdner Bank AG 1977–; Chairman, Board of Managing Directors 1978–.

Other leading directors past and present

Dr. rer pol Hermann Richter (1972–1978): Born 1903; Chairman, Dresdner Bank AG 1972–78; former Vice Chairman, Febwerke Hoechst AG; former Director, Brown, Boveri and Company.

Ms. Gerda M. Hesse (Approx. 1976–): Deputy Chairman, German Employees Trade Union, Federal Board, Hamburg.

Mr. Gerd Muhr (Approx. 1976): Deputy Chairman, German Trade Union Federation, Düsseldorf.

- 5b. Namibian subsidiary: Bank of South West Africa (SWABANK) (Pt. 1, Ch. V) (Source: Reference 52, Chapter V)

Chairman

Mr. E.G. Blohm (Approx. 1977/78–): Born 1912; Chairman, Volkswagen of South Africa; Vice President, South Africa Foundation; Chairman, First National Development Corporation of South West Africa; Chairman, SWABANK.

Managing Directors

Mr. J. Von Wittgenstein

Mr. R. Kock: Director, Kock and Schmidt (Pty) Ltd, Windhoek, Namibia; Managing Director, SWABANK.

Mrs. J.C.F. Schoeman: Managing Director, Schoemans Office Equipment and Service (Pty) Ltd, Windhoek; Trustee, South Africa Foundation; Former Chairman, Windhoek Afrikaanse Sakekamer; Member former, UNESCO Sub-committee of International Fed. Business and Professional Women; Managing Director, SWABANK.

Mr. J.S.G. Pakleppa: Director, M. and Z. Mots and Engineering Ltd, Windhoek; Managing Director, SWABANK.

Mr. D. Voigts: Managing Director, Wecke and Voigts (Pty) Ltd, Windhoek; Director, Sands Hotel (Pty) Ltd; Member Windhoek Chamber of Commerce 1965–; Managing Director, SWABANK.

Mr. U. Schmid: Manager, Dresdner Bank AG, Federal Republic of Germany; Manager International Division Dresdner Bank.

Dr. G. Schmitz-Linnartz: Manager, Dresdner Bank AG, Federal Republic of Germany.

6. Parent and subsidiary: Klockner and Company (Pt. 1, Ch. VI) Not available.

- 7a. Parent: Mitchell Cotts PLC (Pt. 1, Ch. VII) (Source: References 44–45, Chapter VII)

Chairman and Chief Executive

Mr. P.P. Dunkley (1978–): Managing Director, Mitchell Cotts 1965–1974, Deputy Chairman and Managing Director 1974–1978, Executive Chairman 1978, Chairman and Chief Executive 1982–.

Deputy Chairman

Mr. J.R. Storar (1978–): Joined Mitchell Cotts approx. 1978, Non Executive Deputy Chairman 1978–.

Deputy Chief Executive

Mr. T.R.M. Kinsey (1981–): Joined Mitchell Cotts approx. 1979, Director 1980, Deputy Chief Executive 1982–.

Secretary

Mr. R.M.J. Andrews (approx. 1976–)

Other Leading directors past and present

Mr. J.K. Dick CBE: Born 1913; Joint Managing Director, Mitchell Cotts 1957, Managing Director 1959, Deputy Chairman 1964–1966, Chairman 1966–1978; Chairman for Middle East Trade 1968–71; member, Commonwealth Development Corporation 1967–80; member, British National Export Committee 1968–71.

- 7b. Namibian subsidiaries: Clifford Harris South West (Pty) Ltd (Pt. 1, Ch. VII)
Fraser & Chalmers Engineering Sales (Windhoek) (Pty) Ltd (Pt. 1, Ch. VII)
(Source: Reference 46, Chapter VII)

For Clifford Harris South West

Managing Director

Mr. F.G. Ilse (1980–): Managing Director, Clifford Harris (Pty) Ltd, South Africa.

Fraser & Chalmers Engineering Sales (Windhoek)

Managing Director

Mr. H.M. Stark (approx. 1980–)

- 8a. Parent: Rio Tinto-Zinc Corporation PLC (Pt. 1, Ch. VIII)
(Source: References 165–166, Chapter VIII)

Chairman

Sir Anthony Tuke (1981–): Born 22 August 1920; joined Barclays Bank Ltd 1946; Vice-Chairman, Barclays Bank International Ltd 1968–72; Vice-Chairman, Barclays Bank Ltd 1972–73, Chairman 1973–81; Director, Rio Tinto-Zinc Corporation PLC 1980–, Chairman 1981–; former Vice-President, Institute of Bankers; Director, Royal Insurance Co 1978–; President, MCC (Cricket) 1982–; Director, various banking subsidiaries of Barclays Bank PLC.

Chief Executive

Sir Alistair Frame (1978–): Born 3 April 1929; Director, United Kingdom Atomic Energy Authority 1963–68; joined Rio Tinto-Zinc Corporation 1968, Director and Deputy Chief Executive 1976, Chief Executive and Joint Deputy Chairman 1978, Chief Executive and Deputy Chairman 1982; Director, Plessey Telecommunications Ltd and National Enterprise Bd. 1978–79; Director, Vickers Co. 1981–; Toronto Dominion Bank 1981–; member, English Council 1981–.

Secretary

D.A. Streatfield (1976–)

Other leading directors, past and present

Lord Carrington (1974–79): Director 1974–79; Secretary of State for Defence 1970–74; Secretary for Foreign and Commonwealth Affairs 1979–82.

Sir Val Duncan (1950–75): Chief Executive 1962–75, Chairman and Chief Executive 1964–75; former Director, Bank of England; died 1975.

Sir Mark Turner (1975–80): Deputy Chairman 1966–75, Chairman and Chief Executive 1975–80; former Director, Bank of America International Ltd 1971–76; died 1980.

Lord Charteris (1979): Director 1979–; former Private Secretary to Her Majesty the Queen (to early 1979).

- 8b. Namibian subsidiary: Rossing Uranium Ltd (Pt. 1, Ch. VIII)
(Source: References 167–168, Chapter VIII)

Chairman

Mr. R. S. Walker (approx. 1976–): Former Chairman, Rio Tinto Rhodesia (now Rio Tinto Zimbabwe)

Chief Executive

Mr. Colin Macaulay (1982–)

Former Chief Executive

Mr. C.A. Gibson (1978–82): Joined Rio Tinto-Zinc Corporation 1957; President, Chamber of Mines of South West Africa/Namibia 1981; Chief Executive, Rossing Uranium Ltd 1978–82; Chief Executive, Rio Tinto-Zinc Bristol Ltd approx. 1982–; Director of Rio Tinto-Zinc Corporation 1983–.

- 9a. Parent: "Shell" Transport and Trading Company PLC (Pt. 1, Ch. IX)
(Source: References 51–53, Chapter IX)

Chairman

Sir Peter Baxendell CBE (1979–): Born 1925; joined Shell T&T Co. PLC 1946; Technical Director, Shell-B.P. Nigeria 1963–66; Managing Director, Royal Dutch/Shell Group 1970–; Chairman, Shell U.K. 1973–79; Vice Chairman, Royal Dutch/Shell Group Committee of Managing Directors 1979–; Chairman, Shell T&T Co. PLC 1979–.

Managing Directors

Mr. William Thomson (1979–): Born 1926; chemical Coordinator-Director, Shell International Chemical, approx. 1970–1979; Director, Shell T&T Co. PLC 1979–; Managing Director, Shell T&T Co. PLC 1979–; Managing Director, Royal Dutch/Shell Group 1979–.

Mr. Peter Holmes (1982–): Born 1932; President, Shell International Trading approx. 1979–82; Director, Shell T&T Co. PLC 1982–; Managing Director, Shell T&T Co. PLC 1982–; Managing Director, Royal Dutch Group 1982–.

Secretary

G. J. Okell (approx. 1975–)

Other leading directors, past and present

Sir David Barran (1962–): Born 1912; Director, Shell T&T Co. PLC 1961–; Chairman 1967–72; Director, Midland Bank 1972–; Chairman 1980–81; Director, Standard Chartered Bank PLC 1977–79.

Rt. Hon. Edmund Dell (1979–): Born 1921; Minister of State Board of Trade 1968–69; Minister of State Department of Employment 1969–70; Secretary of State for Trade 1976–78; Director, Shell T&T Co. PLC 1979–; Chairman, Channel Four TV (UK) 1980–.

Sir Robert Clark (1982–): Born 1924; Director, Bank of England 1976–; Chairman, Hill Samuel (banking) Group 1980–; Director, Shell T&T Co. PLC 1982–.

- 9b. Namibian subsidiary: Shell Oil South West Africa (Pt. 1, Ch. IX)
(Reference also made to other personnel of Shell T&T Co. PLC and Royal Dutch/Shell Group associated with operations of Shell Oil South West Africa)
(Source: References 54–57, Chapter IX)

Chairman

Mr. K. L. G. Geeling (1973–): Born 1929; Chairman and Managing Director, Shell South Africa (Pty) Ltd; Chairman, Shell Oil South West Africa; Chairman, Shell Oil Botswana (Pty) Ltd; Chairman, Shell Oil Swaziland (Pty) Ltd; Chairman, Shell Chemical S.A. (Pty) Ltd; Chairman, Shell Coal S.A. (Pty) Ltd; Chairman, Shell Coal Botswana (Pty) Ltd;

Chairman Shell Coal Swaziland (Pty) Ltd; Chairman, Shell and B.P. South African Petroleum Refineries (Pty) Ltd; Chairman, Billiton Exploration S.A. (Pty) Ltd; Chairman, Billiton Botswana (Pty) Ltd. Appointed 1973 as Chief Executive of all Shell interests in southern Africa.

Directors of Shell and B.P. South African Petroleum Refineries (Pty) Ltd

Mr. I. F. Tait (approx. 1976–): Born 1936; Director, Finance and Management Services Shell South Africa (Pty) Ltd. Shell and B.P. Petroleum Refineries (Pty) Ltd approx. 1976–; Finance Manager Shell interests in southern Africa 1971–1975.

Mr. I. J. Sims (approx. 1981–): Born 1927; Chairman, B.P. Southern Africa (Pty) Ltd approx. 1981–; Director, Shell and B.P. South African Petroleum Refineries (Pty) Ltd approx. 1981–; Chief Executive B.P. companies in southern Africa approx. 1981–.

Regional Co-ordinator, Royal Dutch/Shell Group for Southern Africa

Mr. H. J. de Ruiter (1981–): Executive member Royal Dutch/Shell Group Service Companies.

Area Co-ordinator, Royal Dutch/Shell Group for Southern Africa

Mr. S. G. Clark

- 10a. Parent: Standard Chartered Bank PLC (Pt. 1, Ch. X)
(Source: Reference 54, Chapter X)

Chairman

Lord Anthony Barber (1974–): Born 4 July 1920; Conservative member of Parliament 1951–64, 1965–74; Chairman, Conservative Party 1967–70; Chancellor of the Exchequer 1970–74; Chairman, Standard Chartered Bank PLC 1974–; Director, Standard Bank Investment Corp. Ltd (South Africa) approx. 1974–; Director, British Petroleum PLC 1979–.

Senior Deputy-Chairman

Sir Robert Mackinlay Taylor, CBE (1975–): Born 1913; Director, Standard Bank Ltd since before 1968; Deputy Chairman, Standard and Chartered Banking Group approx. 1974–75; Senior Deputy Chairman, Standard Chartered Bank PLC 1975–.

Sir Leslie Fletcher (1983): Director, Standard Chartered Bank PLC approx. 1976, Deputy Chairman 1983–.

Secretary

P. J. Spooner (1980–)

Group Chief Accountant

R. E. Landon (1982–)

Other leading directors, past and present

Sir Cyril Hawker (1970–74): Former Chairman Standard Chartered Bank 1970–74; former Executive Director, Bank of England prior to joining board of Standard Bank in 1962.

Mr. John Page (1982–): Former Chief Cashier and Executive Director Bank of England 1970–80; Chairman, Agricultural Mortgage Corporation 1982–; Director, Nationwide Building Society approx. 1982–.

Lord Raymond Pennock: President, Confederation of British Industry 1980– approx. 1982; Chairman, British Insulated Cables 1980–.

- 10b. Namibian subsidiary: Standard Bank SWA Limited (Pt. 1, Ch. X)
(Source: Reference 55, Chapter X)

Chairman

Mr. I. Mackenzie (1978–): Chairman, Standard Bank Investment Corp. Ltd, registered in South Africa.

Managing Director

Mr. K. R. Schneider (1978–)

Directors

Mr. W. T. Passmore (1978–): Deputy Chairman, Standard Bank Investment Corp. Ltd, registered in South Africa.

Mr. H. P. de Villiers (1978–): Group Managing Director, Standard Bank Investment Corp. Ltd, registered in South Africa.

Mr. H. S. Liebenberg (1978–): Senior General Manager, Standard Bank Investment Ltd, registered in South Africa.

Windhoek Head Office Management

Zone Manager

Mr. B. H. Erlank (1978–)

Advances Manager

Mr. G. H. Wolhuter (1978–)

Manager (Personnel Training)

Mr. H. G. Obbes (1978–)

- 11a. Parent: TOTAL – Compagnie française des pétroles (Pt. 1, Ch. XI)

(Source: References 55–61, Chapter XI)

President-Director General

M. René Granier de Lilliac (1971–): Born 1919; joined Compagnie française des pétroles (CFP) 1954; Secretary-General 1960, Vice-President 1970, President Director General 1971–; Vice-President, Compagnie française de raffinage 1972; Director, Total Oil Marine Ltd; Cie financière (banque) de Paris et des Pays-Bas. Awarded Chevalier de la Légion d'honneur, Commandeur de l'ordre national du Mérite.

Vice-President-Director General

M. Louis Deny (1980–): Born 1924; Director, Compagnie française des pétroles approx. 1972, Director General of Operations 1975–80, Vice President Director General 1980–; Director, Total South Africa (Pty) Ltd, Paribas (banque) International.

Commissaires du Gouvernement

M. Jean-Pierre Capron : Directeur des hydrocarbures au Ministère de l'industrie.

M. Bernard Perrin : Chef de la Mission de contrôle des sociétés pétrolières.

M. Jacques Lafaurie : Contrôleur d'Etat à la Mission de contrôle des sociétés pétrolières.

Représentants de l'Etat

M. Jean Blancard: Born 1914; Président du Gaz de France; Vice-Chairman, Conseil général des mines; Directeur de la Société nationale Elf-Aquitaine.

M. Geoffroy de Courcel : Directeur, French investment, SICAV.

M. André Valls : Representative of the State on Avions Marcel Dassault-Breguet Aviation.

Other leading directors

M. Armand Guilband: Born 1927; Directeur, Compagnie Française des Pétroles approx. 1972; Président Directeur Général, Compagnie Française de Raffinage 1979.

M. C. Beaumont: Director of Operations, Total Mines Nucleaire.

- 11b. Namibian subsidiary: No Namibian subsidiary has been established. Information below is for Total South Africa (Pty) Ltd, which operates in Namibia (Pt. 1, Ch. XI)
(Source: Reference 62, Chapter XI)

Chairman

Mr. Daniel G. Banmeyer: Born 1910; President, Alliance Française (in South Africa); Director, Africa Handling Equipment (Pty) Ltd, J.R. Barker and Co. (Pty) Ltd; Chairman, Total South Africa (Pty) Ltd.

Managing Director and Director, Total South West Africa (Pty) Ltd

Mr. Alphonzo Hough (1972–): Born 1924; joined Total South Africa (Pty) Ltd 1954; Director, Total Rhodesia and Total Refining South Africa (Pty) Ltd 1971; Director, Total Zimbabwe 1981–; Director, National Petroleum Refineries South Africa (Pty) Ltd; Total Exploration South Africa (Pty) Ltd; Total South West Africa (Pty) Ltd; Managing Director, Total

South Africa (Pty) Ltd 1972–; Managing Director, Total Refining South Africa (Pty) Ltd 1974–.

Other leading directors

Mr. Niko Stutterheim: Born 1915; former Chairman, Witwatersrand University; Trustee South Africa Foundation; Director, Urban Foundation; Member South African Council for Professional Engineers; Director, Total South Africa (Pty) Ltd.

Mr. A. J. Du Toit: Born 1914; chairman and Director, Rembrandt-K.W.V. Beleggings Bpk; Director, Guardian National Insurance Co. Ltd, Volkskas Group, Total South Africa (Pty) Ltd; Member, General Council of South African Agricultural Union.

- 12a. Parent: Urangesellschaft mbH (Pt. 1, Ch. XII)
(Source: Reference 37, Chapter XII)

Managing Directors

Mr. P. Murmann

Dr. W. Spross (approx. 1982)

Supervisory Board:

Dr. H. Gotz (Chairman): Member of the Board of Directors of Metallgesellschaft AG.

Dr. H. Hoffman (Vice Chairman): Member of the Board of Directors of Veba AG; Member of the Board of Directors of Preussische Elektrizitäts-AG.

Dr. H. Kramer: Chairman of the Board of Directors of STEAG AG.

Other leading directors, past and present

Dr. A. von Kienlin (current Director–1982): Member of the Board of Directors of Metallgesellschaft AG.

Dr. U. Segatz (current Director–1982): Chairman of the Board of Directors of Preussische Elektrizitäts-AG; Member of the Board of Directors of Veba AG.

Dr. H. Volcker (current Director–1982): Member of the Board of Directors of STEAG AG.

- 12b. Namibian subsidiary: No subsidiary company established. For information on Rossing Uranium Ltd, see under VIII, the Rio Tinto-Zinc Corporation PLC.

B. DIRECTORS OF NORTH AMERICAN CORPORATIONS (PART TWO)

- 1a. Parent: Brilund Ltd (Pt. 2, Ch. I)
(Source: Brilund, Form 10-K, 1981)

Chairman and President

Emanuel Rosenblatt

Vice-President, Assistant Secretary, and Director

Ray Rosenblatt

Secretary Treasurer

Paul Mazur

Directors

Jules J. Rosenkranz: President of Durst Industries.

Peter Ritter: Attorney.

- 1b. Namibian subsidiary: Etosha Petroleum Company (Pty) Ltd (Pt. 2, Ch. I)
Not available.

- 2a. Parent: Cominco Ltd (Pt. 2, Ch. II)
(Source: Cominco, Annual Report, 1980; SACTU Solidarity Committee, Guide to Canadian Collaboration with Apartheid, 1982)

Chairman and Chief Executive Officer

M. N. Anderson: Vice-President and Director, Pine Point Mines; Director, Anchor Investments, Inc.; Director, Bethlehem Copper Corporation; Director, Canadian Pacific Enterprises

Ltd; Director, Cominco American Inc.; Director, Cominco Australia Pty Ltd; Director, Cominco Binani Zinc Inc.; Director, Fording Coal Ltd; Director, Hawaiian Western Steel Ltd; Director, Tara Exploration and Development Ltd; Director, the Toronto-Dominion Bank; Director, Vestgron Mines Ltd; Director, Worwil Investments Ltd; Director, Canada-Japan Society of Vancouver; Director, Mining Association of Canada.

Secretary

K. S. Benson

Treasurer

L. D. Margerm

Directors

W. J. Bennett: Consultant, Iron Ore Company of Canada; Chairman of Philips Canada Ltd; Director of Canadian Pacific Ltd; Director, Canadian Reynolds Co. Ltd; Director, Canron Inc.; Director, Eldorado Nuclear Ltd; Director, The Investors Group; Director, Peterson, Howell & Heather Canada Inc; Co-Chairman of Howe Research Institute.

H. Clark Bental: Chairman of Dominion Construction Company; Chairman of The Bental Group Ltd; Chairman of Benchmark Systems Ltd; Chairman of Bental Investments Ltd; Chairman of Bental Properties Ltd; Chairman of Canem Systems Ltd; Director, British Columbia Forest Products Ltd; Director, Finning Tractor & Equipment Co., Ltd; Director, Scott Paper Ltd; Director, The Toronto-Dominion Bank; Trustee of TD Realty Investments.

F. S. Burbidge: President, Canadian Pacific Limited; Director of C-I-L Inc.; Director, Bank of Montreal; Director, CP Air; Director, CP (Bermuda) Ltd; Director, CP Steamships Ltd; Director, Canadian Pacific Enterprises Ltd; Director, Marathon Realty Co., Ltd; Director Soo Line Railroad Co.

Fred E. Burnet: Director, Cominco American Inc.; Director Hecla Mining Co.; Director, Helcia Mines.

Robert W. Campbell: Chairman and Chief Executive Officer, PanCanadian Petroleum Limited; Director AMCA International Ltd; Director, Bank of Canada; Director, Canadian Pacific Enterprises, Ltd; Director, Celanese Canada Inc.; Director, Fording Coal Ltd; Director, Maple Leaf Mills Ltd; Director, Syncrude Canada Ltd; Director, Westinghouse Canada Ltd.

H. T. Fargey (Executive Vice-President): Director, The Canada Metal Company, Ltd; Director, Canpotex Ltd; Director, Pine Point Mines Ltd.

R. Hougén: President, Hougén's Limited; Chairman and Chief Executive Officer Canadian Satellite Communications Ltd; President, Klondike Broadcasting Co., Ltd; President, Northern Television Systems Ltd; President, Sea-Land Recreation and Rentals; President, Whitehorse Motors Ltd; President, Yukon Service Supply; President, Yukon Wholesale Co.; Director, Alberta Power Ltd; Director, Arctic Investment Corp., Ltd; Director, The Canadian Chamber of Commerce; Director, Finning Tractor and Equipment Co., Ltd; Director, Northwestel; Director, Sword Enterprises Ltd.

R. A. MacKinnie, Q.C.: Partner, MacKinnie Mathews; Chairman, Alberta Natural Gas Co., Ltd; Director, Alberta & Southern Gas Co. Ltd; Director, CanDel Oil Ltd; Director, North Canadian Oils Ltd; Director, Pacific Gas Transmission Company; Director, Pine Point Mines Ltd.

P. A. Nepveu: Vice-President, Canadian Pacific Enterprises Limited; Director, Algoma Steel Corp. Ltd; Director, Canadian Pacific Hotels Ltd; Director, Canadian Pacific Securities Ltd; Director, Chateau Insurance Co.; Director, Great Lakes Forest Products Ltd.

S. E. Nixon: Director, Dominion Securities Ltd; Director, Arion Insurance Co., Ltd; Director, Canadian Pacific (Bermuda) Ltd; Director, Canadian Pacific Enterprises Ltd; Director, Celanese Canada Inc.; Director, Continental Illinois (Canada) Ltd; Director, Rolls Royce Holdings North America Ltd; Director, Trizec Corp. Ltd.

I. D. Sinclair (Vice-President): Chairman and Chief Executive Officer, Canadian Pacific Limited and Canadian Pacific Enterprises Limited; Chairman, Canadian Pacific Airlines Ltd; President, Midland Simcoe Elevator Co.; Vice-President and Director, Pan Canadian Petroleum Ltd; Vice-President and Director, The Royal Bank of Canada; Director, Seagram Co. Ltd; Director, Amca International Corp.; Director, Canadian Fund Inc.; Director, Canadian Investment Fund Ltd; Director, Canadian Marconi Co.; Director, Canadian Pacific (Bermuda) Ltd; Director, Canadian Pacific de Mexico (S.A.); Director, Canadian Pacific Steamships Ltd; Director, Pacific Forest Products Ltd; Director, Soo Line Railroad Co. Ltd; Director, Sun Life Assurance Co.; Director, Union Carbide Canada Ltd.; Director, Union Carbide Corporation, New York; Member of International Advisory Committee Chase Manhattan Corp.

W. J. Stenason: President, Canadian Pacific Enterprises Limited; Director, AMCA International Corporation Ltd; Director, Algoma Steel Corp. Ltd; Director, Baker Commodities Inc.; Director, Canada Trust Co.; Director, Canada Trusco Mortgage Corp.; Director, Canadian Pacific Enterprises (U.S.); Director, Canadian Pacific Hotels Ltd; Director, Canadian Pacific Securities Ltd; Director, CanPac AgriProducts Ltd; Director, Chateau Insurance Co.; Director, Commandant Properties Ltd; Director, Fording Coal Ltd; Director, Great Lakes Forest Products Ltd; Director, Maple Leaf Mills Ltd; Director, Marathon Realty Co. Ltd; Director, Pacific Forest Products; Director, Pan Canadian Petroleum Ltd; Director, Processed Minerals Inc.; Director, Rothday Concentrates Co. Ltd; Director, Span International Ltd; Director, Steel Rock Mines Ltd.

W. G. Wilson (President): Director, Aberfoyle Limited (Australia); Director, Bethlehem Copper Corp.; Director, Hawaiian Western Steel Ltd; Director, Pacific Trust Terminals Co. Ltd; Director, Pine Point Mines Ltd; Director, Valley Copper Mines Ltd; Director, West Kootenay Power and Light Co. Ltd.

2b. Namibian subsidiary: Eland Exploration (Pty) Ltd (Pt. 2, Ch. II)
Not available.

3a. Parent: Falconbridge Limited (Pt. 2, Ch. II)
(Source: Falconbridge, *Annual Report*, 1981)

Chairman of the Board, Chief Executive Officer and President

William James: Former Executive Vice-President, Noranda Mines Limited.

Secretary and Vice-President Corporate Affairs

J. D. Krane

Treasurer

N. H. Witherell

Directors

F. C. Ackman: Chairman of the Board, President, and Chief Executive Officer, Superior Oil Company.

J. B. Connally: Senior Partner, law firm of Vinson & Elkins.
Marsh A. Cooper: President, M.A. Cooper, Consultants Inc.

R. E. Harrison: Chairman and Chief Executive Officer, Canadian Imperial Bank of Commerce.

Robert Hewitt: Chairman, Hewitt Equipment Limited.

W. F. James: Consulting Geologist.

H. B. Keck: Director, Superior Oil Company.

H. B. Keck, Jr.: President, Maritime Bank of California

D. E. Lewis, Q.C.: Barrister and Solicitor.

G. P. Mitchell: Geological Consultant.

Eivind Wigstol: Managing Director, Falconbridge Nikkelverk Aktieselskap.

3b. Namibian subsidiary: Falconbridge of South West Africa (Pt. 2, Ch. III)
Not available.

4a. Parent: Hudson's Bay Company (Pt. 2, Ch. IV)
(Source: Hudson's Bay Company Annual Reports; SACTU Solidarity Committee, May 1982; Moody's International Manual)

Governor

George T. Richardson: President, James Richardson and Sons, Ltd; Senior Partner, Richardson Securities of Canada; Chairman, Buckerfield's Ltd; Chairman, Green Valley Fertilizer and Chemical Co.; Chairman, Marine Pipeline Construction of Canada; Chairman, Pioneer Grain Co., Ltd; Chairman, Richardson Realty Ltd; Chairman, Richardson Terminals Ltd; Chairman, Sorel Elevators Ltd; Chairman, Topnotch Feeds Ltd; Chairman, Lombard Place Ltd; Vice-President and Director of Canadian Imperial Bank of Commerce; Director, Inco Ltd; Honorary Director, Canada's Aviation Hall of Fame.

President

Donald S. McGiverin: Chairman of Markborough Properties Limited; Chairman, Simpsons Ltd; Director, DuPont Canada Inc.; Director, Manufacturers Life Insurance Co.; Director, Noranda Mines Ltd; Director, Zellers Ltd; Director, Canadian Council of Christians and Jews; Governor of Olympic Trust of Canada; Member of International Advisory Board of Reynolds Industries.

Vice President and Secretary

A. Rolph Huband

Treasurer

Peter F. S. Nobbs

Directors

Ian A. Barclay: Chairman of the Board British Columbia Forest Products Ltd; Director, Blandin Paper Co.; Director, Donahue Street Felicien Inc.; Director, The Royal Bank of Canada; Director, United Corporations Ltd.

Marcel Belanger: President, Gagnon et Belanger Inc.; Director, Abitibi-Price Inc.; Director, Bell Canada; Director, Celanese Canada Inc.; Director, Eldorado Nuclear Ltd; Director, The Great West Life Assurance Co.; Director, Le Group Commerce Assurance; Director, the National Bank of Canada; Director, Power Corporation of Canada; Director, Pratt & Whitney Aircraft of Canada, Ltd; Director, Provigo Inc.

G. Allan Burton: Professional Company Director; Director, Bell Canada; Director, Royal Bank of Canada; Director, Canadian Executive Services Overseas; Director, CFRB Ltd; Director, Electrolyser Corporation; Director, Standard Broadcasting Corporation Ltd.

C. W. (Wally) Evans: President, The Bay; Director, Eaton Bay Financial Services; Director, Eaton Bay Insurance Co.; Director, Eaton Bay Life Assurance; Director, Hudson's Bay Acceptance.

Gurth C. Hoyer Millar: Director, J. Sainsbury Ltd, London, England.

George R. Hunter: Partner, Pitbaldo & Hoskin; Director, Canadian Imperial Bank of Commerce; Director, General Distributors of Canada Ltd; Director, Metropolitan Stores of Canada Ltd.

Martin W. Jacomb: Vice-Chairman, Kleinwort Benson Limited; Chairman, Kleinwort, Benson Investment Management Ltd; Chairman, Kleinwort Benson Investment Trust Ltd; Chairman, Merchants Trust Ltd; Chairman, Transatlantic Fund Ltd; Director, Kleinwort; Director, Benson Lonsdale Ltd; Director, Mercantile Credit Co. Ltd; Director, Montagu Boston Investment Trust Ltd.

Josette D. Leman: Travel Consultant, McGregor Travel Co., Ltd; Director, McGregor Travel Co., Ltd; Director, The Montreal City & District Savings Bank; Director, Zellers Ltd.

Alexander J. Macintosh (Deputy Governor): Partner, Balke, Cassels & Graydon; Chairman, Canadian Corporate Management Co., Ltd; Chairman, Varta Batteries Ltd; Director, Canadian Imperial Bank of Commerce; Director, Fluor Canada Ltd; Director, Honeywell Inc.; Director, John Labatt Ltd;

Director, Lower Churchill Development Corporation Ltd; Director, Markborough Properties Ltd; Director, Pilkington Glass Industries Ltd; Director, Stelco Inc.; Director, Torstar Corporation; Director, George Wimpey Canada Ltd; Trustee of Brock University.

W. Donald Mackenzie: President, W.O.C. Mackenzie Consultants Ltd; Chairman of Hudson's Bay Acceptance Ltd; Director, Easton, United Securities Ltd; Director, Roxy Petroleum Ltd.

Dawn R. McKeag: President, Walford Investments Ltd; Vice-President and Director, Campbell Estates Ltd; Director Dominion Life Assurance Co.; Director, Royal Bank of Canada; Director, Spruce Developments Ltd; Director, Assiniboine Travel Agency.

John H. Moore: Chairman, Executive Committee, London Life Insurance Co.; Director, Bell Canada; Director, Cadillac Fairview Corp Ltd; Director, Canadian Corporate Management Company Ltd; Director, Canadian Pacific Ltd; Director, J.P. Morgan of Canada Ltd; Director, Northern Telecom Ltd.

Kenneth R. Thomson: Chairman & Chief Executive Officer, Thomson Newspapers Ltd; Chairman, International Thomson Organization Ltd; Chairman, Thomson British Holdings Ltd; Chairman, The Thomson Corporation Ltd; Chairman, Thomson Equitable Corporation Ltd; Chairman, Thomson Investments Ltd; Chairman, Thomson Newspapers Inc.; Chairman, The Thomson Organization Ltd; Chairman, The Woodbridge Co., Ltd; President, Dominion-Consolidated Holdings Ltd; President, Fleet Street Publishers Ltd; President, Kenthom Holdings Ltd; President, The Standard St. Lawrence Co., Ltd; President, Thomfleet Holdings Ltd; President, Thomson International Corporation Ltd; President, Thomson Mississauga Properties Ltd; President, Thomson Works of Art Ltd; Vice-President and Director, Cablevue (Quinte) Ltd; Vice-President and Director, Veribest Products Ltd; Director, Abitibi-Price Inc.; Director, The Advocate Co. Ltd; Director, Caribbean Trust Ltd; Director, Central Canada Insurance Service Ltd; Director, Dominion-Consolidated Truck Lines Ltd; Director, International Thomson Holdings Inc.; Director, Load & Go Transport Inc.; Director, McCallum Transport Inc.; Director, Nipa Lodge Co., Ltd.; Director, Orchid Lodge Co., Ltd; Director, Scottish & York Holdings Ltd; Director, Simpsons Ltd; Director, Thomson Scottish Associates Ltd; Director, Thomson Television Ltd; Director, The Toronto-Dominion Bank.

John A. Tory: President, The Thomson Corporation Ltd; Deputy-Chairman, The International Thomson Organization Ltd; Deputy-Chairman, Thomson Newspapers Ltd; President, Thomson Equitable Corporation; President, The Woodbridge Co., Ltd; Director, Abitibi-Price Inc.; Director, Rogers Cablesystems Ltd; Director, Royal Bank of Canada; Director, Scottish & York Holdings Ltd; Director, Starson Investments Ltd; Director, Sun Life Assurance Company of Canada; Director, Talcorp Associate Ltd; Director, Thomson British Holdings Ltd; Director, Thomson Newspaper Inc. (U.S.); Partner, Tory, DesLauriers & Binnington; Trustee, Clarke Institute of Psychiatry.

Lord Trend (The Rt. Hon.): Rector, Lincoln College, Oxford England; Director, Provident Life Association (London, England).

Director and Corporate Vice-President

Donald O. Wood

Executive Vice-President and Director

Peter W. Wood: Director, Eaton Bay Financial Services Ltd; Director, Guardian Insurance Co. of Canada; Director, Hudson's and Annings Ltd; Director, Markborough Properties Ltd; Director, Simpsons Ltd; Director, Zellers Ltd; Director, Canadian Cancer Society.

- 4b. Namibian subsidiary: Hudson's Bay and Annings (SWA) Pty, Ltd (Pt. 2, Ch. IV)
Not available.

- 5a. Parent: Mobil Corporation (Pt. 2, Ch. V)

Chairman and Chief Executive

Rawleigh Warner, Jr.: Director, American Express; Member, Business Roundtable.

President

William P. Tavovlarens: Director, Bankers Trust Company.

Secretary

Dede T. Bartlett

Treasurer

R. Hartwell Gardner

Directors

George Birrell

Lewis M. Branscomb: Chief Scientist and Vice President, IBM.

Howard L. Clark: Director, former Chairman and Chief Executive Officer, American Express Company.

Alan Greenspan: President, Townsend-Greenspan and Company; Former Chairman, Council of Economic Advisers (1974-1977).

Samuel C. Johnson: Chairman and Chief Executive Officer, S.C. Johnson and Son Inc.

William J. Kennedy III

Walter E. Macdonald: Vice-President, Mobil Oil Corporation.

Lee L. Morgan: Chairman and Chief Executive Officer, Caterpillar Tractor Co.

Anthony J.F. O'Reilly: President and Chief Executive Officer, Heinz Company.

William W. Scranton: Former Governor of Pennsylvania.

Eleanor B. Sheldon: Former President, Social Science Research Council.

Richard F. Tucker: President, Mobil Diversified Businesses.

- 5b. Namibian subsidiary: Mobil Oil SWA (Pty) Ltd (Pt. 2, Ch. V)
Not available.

6. Parent: Newmont Mining Corporation (Pt. 2, Ch. VI)
(Source: Newmont, *Annual Report*, 1981)

Chairman of the Board and Chief Executive Officer

Plato Malozemoff

President

Jack E. Thompson

Secretary

Arthur J. Mannion, Jr.

Treasurer

Christopher S. Hardesty

Directors

Rudolph I. J. Agnew: Deputy Chairman and Group Chief Executive, Consolidated Gold Fields PLC, London, England.

Roy C. Bonebrake: Retired, Formerly Executive Vice-President and General Counsel, Newmont Mining Corporation.

Wayne H. Burt: Senior Vice-President, Operations.

Gordon H. Chambers: Private Investor, Philadelphia, Pennsylvania.

Frank Coolbaugh: Consultant, Denver, Colorado.

Thomas A. Holmes: Chairman and Chief Executive Officer, Ingersoll-Rand Company, Woodcliff Lake, New Jersey.

George H. Jacobus: General Partner, Connark Co. (Private Investments) Delray Beach, Florida.

Richard B. Leather (Executive Vice President)

David O. Lloyd-Jacob: Chairman and Chief Executive Officer, Amcon Group, Inc. New York, N.Y.

Leonard F. McCollum: Chairman Emeritus, Mercantile Texas Corporation, Houston, Texas.

William B. Moses, Jr.: Former Chairman, Massachusetts Financial Services Co., Boston, Massachusetts.

Stuart F. Silloway: Director of various corporations, Rye Beach, New Hampshire.

- 7a. Parent: Nord Resources Corporation (Pt. 2, Ch. VII)
(Source: Nord, Annual Report, 1981)

Chairman and President

Edgar F. Cruft: Founder of Nord; Geochemist; Former field and mining geologist in South Africa and Malawi for major South African mining companies (1954-57); Former field and mining geologist for Ventures Ltd and Falconbridge Nickel Mines Ltd (1956-59).

Executive Vice-President, Secretary and General Counsel

Richard L. Steinberger

Treasurer and Vice-President for Finance

Terence H. Lang

Directors

Walter T. Belous: Vice-President and General Manager, Li Tungsten Corporation, New York.

Jacobus M. Donkers: Managing Director Mining and Transport Engineering, Amsterdam, Netherlands.

William H. Dorsey, Jr.: Petroleum consultant W. H. D., Inc., Texas.

Otto Hackel: Consultant, Bakersfield, California.

Vincent C. Kelley: Geological consultant, Albuquerque, New Mexico.

Edward B. Lange: President, Lang Realty, Dayton, Ohio.

Leonard Lichter: Attorney, Spitzer & Feldman, New York.

George H. Parmaska: President, Tresler Oil Company, Cincinnati, Ohio.

Donald L. Roettelle: President, Com. General Corporation.

- 7b. Namibian subsidiary: Nordex Joint Venture (Pt. 2, Ch. VII)
(Source: Engineering and Mining Journal, 1981).

General Manager

G. A. Stevens

Resident Manager

G.F. Raubenheimer

- 8a. Parent: Rio Algom Limited (Pt. 2, Ch. VIII)
(Source: Rio Algom, Annual Reports; SACTU Solidarity Committee, May 1982)

Chairman, President and Chief Executive Officer

George R. Albino: Chairman and President Lornex Mining Corporation; President, Atlas Steel Ltd; Director, Barclays Canada Limited; Director, Confederation Life Insurance Company; Director, Rossing Uranium Limited.

Secretary

Archie C. Turner

Treasurer

John Van Netten

Directors

James T. Black: President and Chief Executive Officer, The Molson Companies Limited; Director, Carron Inc.; Director, The Mutual Life Assurance Company (Canada); Director, Petro-Canada; Director, The Canadian Manufacturers Association; Director, The Niagara Institute; Director, The Fraser Institute.

Sir Alistair G. Frame: Joint Deputy Chairman and Chief Executive Officer, The Rio Tinto-Zinc Corporation Limited (England); Director, Brinco Limited; Director, Copper Pass Ltd; Director, CRA Holdings Pty, Ltd; Director, Nuclear Developments Limited; Director, Palabora Mining Company Ltd; Director, Rio-Rossing Ltd (South Africa); Director, RTL Stablex BV.

Gordon C. Gray: Chairman and Chief Executive Officer, A. E. LePage Limited; Director, Canadian Gypsum Ltd; Director, Coldwell, Banker and Company; Director, Crown Life Insurance Company; Director, Hiram Walker-Consumers Home Limited; Director, McDonald's Restaurants of Canada Ltd; Director, Markborough Properties Limited; Director, Rogers Cablesystems Inc.; Director, Royal Insurance Company of Canada; Director, The Toronto-Dominion Bank.

Robert S. Hurlbut: Chairman and President, General Foods Limited; Director, Hiram Walker-Consumers Home Ltd; Director, North American Life Assurance Company; Director, Northern Telecom Canada Limited; Vice-President of General Foods Corporation (U.S.).

David S. R. Leighton: President, The Banff Centre for Continuing Education; Director, Alberta Industrial Holdings Inc.; Director, Canadian Appliance Manufacturing Co., Ltd; Director, GSW Inc.; Director, Gulf Canada Ltd; Director, Lornex Mining Corp.; Director, Resources for the Future Inc.; Director, Scott's Hospitality Inc.; Director, Standard Brands Ltd; Director, John Wiley and Sons Canada, Ltd.

William Moodie: Consultant, Sutton West, Ontario; Director, International Paints (Canada) Ltd.

Douglas C. New: Partner, Fasken & Calvin, Barristers and Solicitors, Toronto.

J. Keith Reynolds: President J.K. Reynolds Consultants, Inc., Toronto; Director, Dome Mines Ltd; Director, Forintek Canada Corporation.

John D. Taylor: President and Chief Operating Officer, Simpsons-Sears Limited; President, Boys & Girls Club of Canada; Director, Allstate Life Insurance Company of Canada; Director, Canadian Pacific Hotels Limited; Director, DeSoto Coating Ltd; Director, Canadian Special Olympics; Member of Ontario Business Advisory Council.

Sir Anthony Tuke: Chairman, The Rio Tinto-Zinc Corporation Limited; Director, Barclays American Corporation U.S.A.; Director, Barclays National Bank Ltd., South Africa; Director, Merchants Trust Ltd; Director, Motability; Director, Royal Insurance Co., Limited.

Ross J. Turner: President and Chief Executive Officer, Genstar Corporation; Director, Crown Zellerbach Canada Ltd; Director, The Great West Life Assurance Company.

- 8b. Namibian subsidiary: Rossing Uranium Limited (Pt. 2, Ch. VIII)
See entry under Rio Tinto-Zinc Corporation (United Kingdom).

- 9a. Parent: Standard Oil of California (Pt. 2, Ch. IX)
(Source: Standard Oil of California, Annual Report, 1981)

Chairman

George M. Keller

President

John R. Grey

Secretary

Donald N. Maytum

Treasurer

Rodney E. Willoughby

Directors

Donald L. Bower: Vice-Chairman of the Board

Howard W. Bell: Vice-President, Finance.

Kenneth T. Devr: Vice-President, Chevron USA.

Lawrence W. Funkhouser: Vice-President, Exploration & Production

Kenneth E. Hill: Consultant to Blyth, Eastman, Paine Webber, Inc.

Carla Anderson Hills: Partner, Latham, Watkins & Hills.

Charles W. Kitto (Vice-President Logistics and Trading): Former US Secretary of Housing and Urban Development.

William E. Mussman (Vice-President Legal Affairs)
 David Packard: Chairman of the Board, Hewlett-Packard Company; Former U.S. Deputy Secretary of Defense.
 Charles M. Pigott: President, PACCAR Inc.
 George H. Weyerhaeuser: President, Weyerhaeuser Inc.

- 9b. Namibian subsidiary: Caltex Oil (SWA) Pty, Ltd (Pt. 2, Ch. IX)
 Not available.

10. Parent: Texaco Inc. (Pt. 2, Ch. X)
 (Source: Texaco, Annual Report, 1981)

Chairman and Chief Executive Officer

John K. McKinley

Secretary

Carl B. Davidson

Treasurer

Richard G. Brinkmann

Directors

Willard C. Butcher: Chairman and Chief Executive Officer Chase Manhattan Corporation.

Frank T. Cary: Chairman of the Board, IBM Corporation.

Alfred C. DeCrane, Jr. (Executive Vice-President)

The Earl of Granard: Director of various corporations (Switzerland).

James W. Kinnear (Executive Vice-President)

Elvis L. Mason: Chairman and Chief Executive Officer, Inter First Corporation.

Thomas H. Moorer: Admiral, U.S. Navy, Retired.

Thomas S. Murphy: Chairman and Chief Executive Officer, Capital Cities Communications, Inc.

George Parker, Jr.: Investments, San Antonio, Texas.

Lorene L. Rogers: President Emeritus, University of Texas at Austin.

Robert V. Rosa: Partner, Brown Brothers Harriman & Co.

Franz H. Ulrich: Chairman of the Supervisory Board, Deutsche Bank, AG.

Thomas A. Vanderslice: President and Chief Operating Officer, General Telephone & Electronic Corporation.

William Wrigley: President and Chief Executive Officer, Wm. Wrigley Jr. Company.

C. DIRECTORS OF SOUTH AFRICAN CORPORATIONS (PART THREE)

1. Anglo American Corporation of South Africa (Pt. 3, Ch. I)

Chairman

Gavin W.H. Relly

Deputy Chairman

Keith Acutt

Secretary

J. T. Goldfinch

Directors

R. I. J. Agnew

G. A. Carey-Smith

Z. J. deBeer

E. M. A. F. Ferreira

C. J. L. Griffith

J. A. Holmes

G. Langton

N. F. Oppenheimer

B. W. Pain

Albert Robinson

J. Ogilvie Thompson

A. L. Vilakazi
 W. D. Wilson
 W. G. Boustred
 J. N. Clarke
 D. A. Etheredge
 G. C. Fletcher
 R. N. Hambro
 M. W. King
 D. G. Nicholson
 Philip Oppenheimer
 J. G. Richardson
 C. J. Saunders
 J. G. Van der Horst
 G. H. Waddell

2. Anglovaal (Pt. 3, Ch. II)

Chairman

B. E. Hersov

Deputy Chairman and Administrative Director

C. S. Menell

Secretary

E. G. D. Gordon

Other leading directors, past and present

B. L. Bernstein

E. H. Fox

C. D. Gray

R. J. Hamilton

R. F. Lapping

S. J. N. Maisels

W. W. Malan, Technical Editor

J. C. Robbertze, Executive Director, Industry

D. J. Crowe, Deputy Executive Director, Mines

M. D. Henson

W. H. Keen

G. W. King

J. M. Meyer

D. Royston

W. F. Thomas

R. A. D. Wilson, Head Office Manageress

3. Bank Holding Corporation of South Africa (Pt. 3, Ch. III)
 Not available.

- 4a. Parent: Barlow Rand Ltd (Pt. 3, Ch. IV)

Chairman

A. M. Rosholt

Vice-Chairman

G. W. Cunningham

Deputy Chairmen

D. W. Dyer

A. C. Peterson

Secretary

K. A. Bagg

Other leading directors, past and present

D. Brown

G. H. Bulterman

W. A. M. Clewlow

D. E. Cooper

J. C. Hall

R. T. Hofmeyr

- N. L. Holford
B. K. Kardol
S. G. Keatley
R. S. Lawrence
J. B. Maree
M. J. Noyce
C. C. Parker
S. Rudner
A. A. Sealey
D. T. Watt
F. J. Cronje
R. J. Goss
G. A. MacMillan
I. G. MacPherson
P. E. Rousseau
G. H. Waddell
- 4b. Subsidiary: Sea Products (SWA) Ltd (SEASWAS) (Pt. 3, Ch. IV)
Managing Director
J. F. Stubbs
Secretary
P. Koster
Other leading directors, past and present
G. A. Louw
J. A. M. Archer
D. Du P. Basson
Adv. S. Frank
- 4c. Subsidiary: South West Africa Fishing Industries Ltd (SWAFIL) (Pt. 3, Ch. IV)
Chairman
R. Silverman
Directors
G. Antiglevich
J. A. M. Archer
J. A. Frankel
R. L. Frankel
B. Peck
H. J. Schwartz
A. Shapiro
- 4d. Subsidiary: United Oceana Holdings Ltd (Pt. 3, Ch. IV)
Chairman
R. L. Frankel
Directors
A. Bloomberg
B. L. Joffe
A. Shapiro
G. Antiglevich
C. Wolpert
5. De Beers Consolidated Mines of South Africa/Namibia (Pt. 3, Ch. V)
Chairman
H. F. Oppenheimer
Secretary
J. D. B. Engels
Other leading directors, past and present
Keith Acutt
- E. T. S. Brown
E. M. Charles
E. G. J. Dawe
Baron E. de Rothschild
Evelyn de Rothschild
Dr. H. B. Dyer
G. C. Fletcher
F. M. Hodgson
P. J. R. Leyden
Dr. L. J. Murray
A. E. Oppenheimer
N. F. Oppenheimer
Sir Philip Oppenheimer
G. W. Relly
S. Spiro
J. Oglive Thompson
6. Electricity Supply Commission (ESCOM) (Pt. 3, Ch. VI)
Chairman
Jan H. Smith
Secretary
W. S. Pretorius
Other leading directors, past and present
H. Smith
G. F. Hellston
Dr. P. Marais
The Hon. J. C. Haak
T. R. Castle
J. Wilkens
L. F. Rive
D. J. Malan
Management Committee
I. D. van der Walt, Senior Manager
I. C. MacRae
J. L. Rothman
L. H. Groen
F. J. W. Barnard
P. J. T. Oosthuizen
G. A. Park
7. Federale Mynbou Beperk (FedMynb) (Pt. 3, Ch. VII)
Chairman
W. B. Coetzer
Secretary
P. J. Schoombie
Other leading directors, past and present
W. J. de Villiers
F. J. du Plessis
W. R. Pretorius
P. E. Rousseau
J. P. Rupert
D. P. van Huyssteen
A. J. van Wyk
A. D. Wassenaar
E. P. Pavitt
W. R. Hertzoy
8. Federale Volksbeleggings Beperk (Pt. 3, Ch. VIII)
Managing Director
C. J. F. Hunan

- Other leading directors, past and present*
D. W. Koetzer
Dr. W. J. de Villiers
F. J. du Plessis
S. A. Hofmeyr
F. J. H. le Riche
J. D. Louw
I. J. Moolman
G. R. Pauw
W. S. Pretorius
P. E. Rousseau
J. H. Smit
D. J. J. van der Walt
A. D. Wassenaar
9. General Mining Union Corporation Ltd (GENCOR) (Pt. 3, Ch. IX)
Managing Director
E. Pavitt
Executive Director
G. Clark
Secretary
R. A. Wilson
Other leading directors, past and present
W. B. Koetzer
H. F. Oppenheimer
W. S. Pretorius
P. E. Rousseau
J. P. Rupert
J. Scott
A. J. van Wyk
A. D. Wassenaar
F. J. du Plessis
W. R. Hertzog
P. R. Morkel
10. Industrial Development Corporation of South Africa (Pt. 3, Ch. X)
Chairman
A. J. van der Berg
Chief Executive
M. T. de Waal
Secretary
K. L. Kingman
Other leading directors, past and present
Dr. S. S. Brand
Dr. F. P. Jacobs
D. L. Leys
Dr. L. P. McCrystal
D. P. Neethling
P. J. van Rooy
M. Macdonald
W. C. van der Merwe
D. R. Vorster
F. F. Pratt
11. Iron and Steel Industrial Corporation Ltd (ISCOR) (PT. 3, Ch. XI)
Chairman
T. F. Muller
- Secretary*
A. C. Greyling
Other leading directors, past and present
F. P. Kotzee, Managing Director
M. T. de Waal
J. P. Kearney
J. J. Kitschoff
L. B. Knoll
J. T. Kruger
M. D. Marais
H. J. Samuels
D. F. Theron
12. Johannesburg Consolidated Investments Ltd (JCI) (Pt. 3, Ch. XII)
Chairman
G. H. Waddell
Directors
C. Carrington
H. Dalton-Brown
G. C. Fletcher
D. E. MacIver
P. F. Retief
B. A. Smith
D. H. Stevenson
P. A. VonWielligh
P. R. Wilton
Albert Robinson
13. Kaap-Kunene Beleggings Bpk (Pt. 3, Ch. XIII)
Executive Chairman
A. P. du Preez
Deputy Chairman
P. G. Neethling
Joint Managing Directors
J. du Preez
V. H. Epstein
Directors
Adm. H. H. Biermann
A. Frank
14. Marine Products Limited (Federale Foods) (Pt. 3, Ch. XIV)
Chairman
G. J. van Zyl
Secretary
B. van Niekerk
Directors
C. H. Brunk
G. J. van Zyl
F. C. Johneson
J. Nesor
C. G. W. Schulmann
F. Z. Zyl
- 15a. Parent: Nedbank Limited (Pt. 3, Ch. XV)
Officers and Directors
Dr. F. J. C. Cronjé, Chairman
G. S. Muller, Deputy Chairman
Dr. B. H. Holsboer, Deputy Chairman
R. J. N. Abrahamsen, Managing Director

General Managers

A. N. D. Bryce
E. L. Felton
L. J. Saayman
S. V. W. van der Hoven
A. F. C. van der Merwe

Deputy General Manager

A. C. van Vliet

Secretary

D. A. Peterson

Assistant General Managers, International Division

J. van der Horst
K. C. van der Molen

Directors

L. G. Abrahamse
W. G. Bousterd
G. W. G. Browne
G. H. Bulterman
C. Cilliers
Dr. J. de V. Graaff
Dr. I. G. Halliday
L. Lulofs
I. G. MacPherson
V. G. Mansell
J. L. Nel
H. L. Shill
A. S. Thomas
R. S. Walker

Chief Dealer, Foreign Department

J. H. Cross

15b. Subsidiary: Irving and Johnson Ltd (Pt. 3, Ch. XV)

Chairman

C. D. Gray

Managers

J. J. Williams
B. E. Hersov
C. S. Menell
Dr. P. G. S. Neethling
J. C. Robbertze

16. Ovenstone Investments Limited (OIL) (Pt. 3, Ch. XVI)

Chairman

A. Ovenstone

Managing Director

J. Ovenstone

Secretary

Charles L. Lanham

Other leading directors, past and present

D. Mac P. Ovenstone
R. J. Ovenstone
P. White
C. L. Lanham

17. South African Coal, Oil and Gas Corporation (SASOL) (Pt. 3, Ch. XVII)

Chairman

D. P. de Villiers

Deputy Chairman and Managing Director

J. A. Stegman

Secretary

J. J. Zaiman

Executive Directors

J. L. J. Bezuidenhout
A. H. Stander

Other management

F. J. du Plessis
G. A. MacMillan
G. W. H. Relly
A. J. van der Berg
A. J. Marais
E. Pavitt
J. G. van der Horst

Group management

Sasol Limited

J. A. Stegmann, Managing director
J. L. J. Bezuidenhout, Senior general manager
A. H. Stander, Senior general manager
T. A. Conradie, General manager
B. H. L. Leach, General manager
D. F. Mostert, General manager
H. R. Wiggett, General manager
A. Brink, Assistant general manager
J. du P. Dippenaar, Assistant general manager
T. van der Pas, Assistant general manager

Sasol One (Pty) Ltd

J. A. Stegmann, Managing director
J. L. J. Bezuidenhout, Executive director
P. V. Cox, General manager (mining)
W. F. van C. Reyneke, General manager (operations)
P. R. Barker, Assistant general manager (financial)
C. J. Cloete, Assistant general manager (mining)
M. C. Tisdall, Assistant general manager (operations)

Sasol Two (Pty) Ltd

J. L. J. Bezuidenhout, Joint managing director
A. H. Stander, Joint managing director
P. du P. Kruger, General manager (operations)
I. P. Marais, Assistant general manager (operations)

Sasol Three (Pty) Ltd

J. L. J. Bezuidenhout, Joint managing director
A. H. Stander, Joint managing director
W. P. de Waal, General manager (operations)
D. R. Day, Assistant general manager (operations)

Sasol Marketing Company Ltd

C. J. Uys, Managing director
A. Bedeker, Executive director
G. G. Botha, Executive director

Sasol Technology (Pty) Ltd

A. H. Stander, Managing director
A. Brink, Director and general manager (research)
J. du P. Dippenaar, Director and general manager (project and design)
T. van der Pas, Director and general manager (process)

18. South African Marine Corporation (SAFMARINE) (Pt. 3, Ch. XVIII)

Chairman

A. J. van den Berg

Deputy Chairman and Managing Director

M. de W. Marsh

Other leading directors, past and present

W. F. de la H. Beck

G. W. Dunningham
N. M. Forster
G. M. Fullerton
M. MacDonald
G. A. MacMillan
Hon. S. L. Muller
Dr. J. G. van der Horst
M. J. Finlay
F. H. Smith

19. South African Railways and Harbours Corporation (SARH)
(Pt. 3, Ch. XIX)

Chairman

Hon. S. L. Muller

Secretary

E. Pavitt

Other leading directors, past and present

A. S. D. Erasmus
P. L. S. Aucamp
C. V. de Villiers, General Manager
J. G. H. Loubser
D. A. Petersen
F. M. Marcus

20. Southern Oil Exploration Corporation Limited (Pt. 3, Ch. XX)
Not available.

21. Volkskas Group Limited (Pt. 3, Ch. XXI)

Board of Directors

Dr. A. J. du Toit, Chairman
Dr. T. F. Muller, Vice-Chairman
Dr. R. R. Morkel, Managing Director
P. J. F. Venter
H. O. de Villiers
G. J. Koetze
A. J. Marais
Prof. W. L. Monton
Dr. H. Muller
Dr. J. A. Stegmann
D. P. S. Van Huyssteen
J. Wilkens
P. McLachlan
J. L. J. van Vuuren
D. J. Gouws

Secretary

P. G. Marais

Annex 2

CORPORATIONS PREVIOUSLY OPERATING OR INVESTING IN NAMIBIA

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A. WEST EUROPEAN BASED TRANSNATIONAL CORPORATIONS

1. Charter Consolidated PLC (United Kingdom)

Charter Consolidated previously had investment interests in Namibia through its holdings in the Anglo American Corporation of South Africa; a 25.7 per cent interest in Selection Trust PLC, which held a 14.25 per cent interest in the Tsumeb Corporation; and a 4.3 per cent interest in the Rio Tinto-Zinc Corporation. Following a restructuring process, which commenced in 1979, the interests of Charter Consolidated in all the above corporations had been disposed of by mid-1983.

2. Elf Aquitaine (France)

Elf Aquitaine was previously engaged in prospecting operations in Namibia for deposits of uranium. These operations took place in the mid-late 1970s but were terminated in approximately 1980. No information is available on the results of the prospecting operations.

3. Banque Indosuez (France)

Banque Indosuez holds a 27.05 per cent direct and a 55.60 per cent group interest in its subsidiary French Bank of Southern Africa, located in South Africa. The French Bank of Southern Africa established a banking branch in Windhoek during the 1970s, but terminated its operations in approximately 1980.

4. South West Africa Company Ltd (United Kingdom)

The South West Africa Company Ltd, established in 1892, operated in Namibia for longer than any other corporation. Its operations as a mining company with interests in base metal mines in Namibia ended in 1976 when Kiln Products Ltd acquired its total share capital. Although the company continued to be registered in London up to 1978, it was formally dissolved in approximately 1981. For information on the mining interests acquired by Kiln Products Ltd from the South West Africa Company, see above under Consolidated Gold Fields PLC (Gold Fields Namibia Ltd).

B. NORTH AMERICAN BASED TRANSNATIONAL CORPORATIONS

1. Amax Inc.

Amax was involved in Namibia through its 29.6 per cent holding in Tsumeb from 1947 through 1982. As one of the original investors, with Newmont, in Tsumeb, Amax was heavily involved in mining for the more productive years of the Tsumeb mine. In late 1982 Amax sold its entire interest in Tsumeb to Gold Fields South Africa.

2. Aracca Exploration Ltd

Aracca was awarded a nine year concession offshore Namibia in 1972 (*Oil & Gas Journal*, 3 July 1972). No further information is available.

3. Asarco, Inc.

The Mission company, a subsidiary of Asarco, Inc., was reported in 1978 to be engaged in prospecting activities in Namibia. (*London Times*, 1 September 1978)

4. Continental Oil Company

Offshore oil concession granted in 1972 (*Oil & Gas Journal*, 3 July 1972). Company reported giving up the concession in October 1974 (*Wall Street Journal*, 1 November 1974).

5. Continental Ore Company

Continental held 50 per cent of Minerts Development (Pty) Ltd, which in turn held 47.5 per cent of Otjihase Mining Company in 1976 (U.S. Bureau of Mines. *The Mineral Industry of the Territory of South-West Africa*. Reprint from 1976 Bureau of Mines Mineral Yearbook). Tsumeb Corporation bought 70 per cent of Otjihase Corporation in 1980.

6. General Electric

In 1972 Marcona Corporation was reported to be engaged in a mineral probe in northern Namibia in conjunction with the Hanna Mining Corporation (Courtney and Davis. *Namibia: United States Corporate Involvement*. Africa Fund: New York 1972, page 23). In 1978 the Marcona Corporation was merged with GESUB of Delaware, Inc. a subsidiary of General Electric (Cyprus Mines Corporation, *Form 10-K*, 1980). There is no indication that Marcona is still active in Namibia.

7. Getty Oil Company

Getty Minerals SWA (Pty) Ltd obtained oil prospecting concessions off the coast of Namibia in June 1972 (*Oil & Gas Journal*, 3 July 1972). In January 1975 Getty notified U.S. church groups that it was terminating exploration activities off-shore in Namibia (*New York Times*, 29 January 1975).

8. Gulf Oil Corporation

Gulf, in a consortium with Chevron and Hans Merensky Mining, had an off-shore oil concession in Namibia that was given up in 1971 (*Financial Mail*, 24 March 1972).

9. Phelps Dodge

Phelps Dodge applied for a mineral concession in northern Namibia in late 1971 (*South African Financial Gazette*, 9 October 1971).

10. *Phillips Petroleum Company*

Phillips, in a consortium with Continental Oil and Getty, obtained a nine-year concession off-shore Namibia (*Oil & Gas Journal*, 3 July 1972). In January 1975 Phillips notified U.S. church groups that it was terminating exploration activities off-shore Namibia (*New York Times*, 29 January 1975).

11. *Superior Oil Company*

Superior has been involved in Namibia, through Falconbridge, for a number of years. But the company also attempted to enter into a deal with Brilund Ltd to help that company exploit and research its prospecting rights in Northern Namibia. The deal with Brilund fell through in late 1981.

12. *United States Steel Corporation*

U.S. Steel was reported in 1971 to have a license for prospecting in Namibia (U.S. Department of Commerce testimony before Subcommittee on Africa of Committee on Foreign Affairs, U.S. House of Representatives, 15 June 1971). Prospecting through the Anglovaal group in the Witvlei area was being "curtailed" in April 1971 (Courtney and Davis. *Namibia: United States Corporate Involvement*. Africa Fund: New York 1972, page 22).

13. *Zapata Corporation*

Zapata's subsidiary, Granby Mining Corporation, and Zapata Mining (Pty) Ltd, operated a copper mine at Onganja (*Engineering & Mining Journal, Directory of Mining*, 1981). In 1979 Zapata sold Granby which was incorporated as a Canadian company that was in turn subsequently sold to Noranda Mines of Canada.

BIBLIOGRAPHY

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PART ONE. WEST EUROPEAN TRANSNATIONALS

I. Corporate publications

- Barclays Bank PLC, *Report and Accounts*, published by Barclays Bank PLC, London. Available approximately March each year.
- _____, *Report and Accounts*, published by Barclays Bank International Ltd, London. Available approximately March each year.
- _____, *Financial Statements*, published by Barclays National Bank Ltd, South Africa. Available approximately January/February each year.
- British Petroleum Company PLC, *Annual Report and Accounts*, published by British Petroleum Company, PLC, London. Available approximately April each year.
- _____, *Financial and Operating Information*, published by British Petroleum Company PLC, London. Available approximately June/July each year. (Records information from data published over previous five-year period.)
- _____, *Statistical Review of World Oil Industry/Energy*, published by British Petroleum PLC, London. Available approximately April each year.
- _____, *South Africa Social Report*, published by British Petroleum Southern Africa, Cape Town, South Africa. Available approximately March each odd year, i.e., 1983, 1985, etc.
- Commercial Union, *Report and Accounts*, published by Commercial Union Assurance Company PLC, London. Available approximately March each year.
- Commercial Union Assurance (information booklet), published by Commercial Union Assurance Company PLC, London, about 1981.
- Consolidated Gold Fields PLC, *Annual Reports and Accounts*, published by Consolidated Gold Fields PLC, London. Available approximately September each year.
- Gold Fields: *An introduction to the Group*, published by Consolidated Gold Fields PLC, London 1975.
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