

Ramaphosa says collaboration is the key for mining

By Nicci Botha

6 Feb 2019

The mining industry is a key player in the future growth and development of the South African economy, with huge potential for exploration, production and beneficiation, President Cyril Ramaphosa told the Investing in African Mining Indaba.



President Cyril Ramaphosa

His investment road show last year, culminated in the inaugural South Africa Investment Conference, in October. "Several companies at the conference made announcements of investments, which amounted to around \$20bn in total. The pledge of \$20bn is a clear indication that South Africa indeed is still an attractive destination for investment," he said.

He added that three of these major investment announcements came from the mining sector gives credence that mining in South Africa is a sunrise industry. "Many have often said that the sun is setting on SA mining industry, it having been the leading industry on the whole continent. And it having been the bedrock of South Africa's economy development growth from both a manufacturing and industrialisation point of view. Many have thought it is facing its sunset days and we are firm believers in knowing that South Africa's mining industry is in its sun rising days and long will it last."

Restoring policy certainty

When it comes to exploration, the president said he asked Mineral Resources Minister Gwede Mantashe why exploration tapered off. "We no longer have listed companies on the stock exchange for exploration. He has made it his specific area of focus to encourage and galvanise the industry to start exploring once again. The plateau that we have in South Africa is still very rich with minerals buried underground. We are saying that these are the minerals that can still be exploited, that still can be mined and brought to economic value."

That's the reason the government has prioritised restoring policy and regulatory environment that is stable and predictable. Significant work has been done to remove the uncertainty that held back the development of the industry, Ramaphosa said.

Collaboration

"We have emerged from a period of strained relations where the courts became the main platform of engagement between the industry and government. Now we want to put this behind us. We no longer want to meet you in court, we want to meet you in your boardrooms and we want to meet you in Minister Mantashe's office. May I also add conflict between industry

and labour and communities should be something that belongs to the past.

This is an era where there needs to be more collaboration, more cooperation, more consensus building, more working together.

"I would like to pay tribute to leaders in the industry for airing their grievances and never giving up. Now you have our full undivided attention. Since the minister was appointed he has met with many of the industry leaders. By and large, he has succeeded to turn this thing around and building the spirit of cooperation. He reported that he had robust debates," he said.

The government has prioritised removing the barriers for investment in South Africa, such as administered prices for ports, rail and electricity, as well as infrastructure bottlenecks. "We are working on these concerns, such as visa application, reducing the cost of doing business and eliminating bureaucratic constraints. This is work in progress."

The Eskom challenge

"The other important infrastructure challenge you are all concerned about is the security and affordability of energy supply. We have been giving detailed attention to the crisis at the country's power company. Eskom is currently facing significant operational, financial and structural challenges.

"Its contribution to the health of our economy is too great for it to be allowed to fail. It is too important and is too big to fail. And we will not allow it to fail. Restoring and securing energy security for the country is an absolute imperative.

"In the coming days, we will be announcing a package of measures to stabilise and improve Eskom's financial, operational and structural position and to ensure security of energy supply for the economy, for the country and for your industry the mining sector," Ramaphosa said.

ABOUT NICCI BOTHA

Nicci Botha has been wordsmithing for more than 20 years, covering just about every subject under the sun and then some. She's strung together words on sustainable development, maritime matters, mining, marketing, medical, lifestyle... and that elixir of life - chocolate. Nicci has worked for local and international media houses including Primedia, Caxton, Lloyd's and Reuters. Her new passion is digital media.

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