

# MEDIA STATEMENT

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**For immediate release**

## **CHAMBER OF MINES RESPONDS TO DMR'S COMMENTS AT THE MINING INDABA**

**Cape Town, 6 February 2017:** The Chamber of Mines notes the statements made by the Minister of Mineral Resources, Minister Mosebenzi Zwane, and officials of the Department of Mineral Resources (DMR) at the opening of the 2017 Mining Indaba and in a subsequent briefing to the media.

We share the Minister's emphasis on "shared prosperity and responsible investment", and value the DMR's increasing focus on research and development, and on increasing exploration and technical support to the industry.

We also take note of the Minister's call to action in the media briefing. In response to queries from the media following the Minister's briefings, Chamber CEO, Roger Baxter says: "The mining industry needs predictable, stable and competitive mining policy and legislation that is workable and practically achievable.

"It is crucial that the processes relating to the MPRDA, the Mining Charter – and especially the ownership elements – are taken through a reasonable conclusion, within a specific time period. It is critically important that the MPRDA amendments are necessary given the deficiencies in primary legislation. The fact is that the process has taken four years to get to some kind of conclusion and in the intervening period regulatory uncertainty has been evident.

"The industry recognises and respects the role of government and that all stakeholders have an interest in the outcomes. However, the practical reality is that it is the Chamber's members – representing 90% of South Africa's mineral production by value – who are the companies that will be responsible for implementing the revised Mining Charter, and will in fact be assessed based on the targets set. It is for this reason that the



Chamber and its members seek a practical and workable third iteration of the Charter that can be practically implemented in our ongoing transformation journey.”

Finally, comments attributed to the DMR that parties who seek clarity or enforcement of their rights by the courts are ‘anti-transformation’ is most unfortunate. The industry and its members will engage constructively in seeking pragmatic and realistic outcomes in discussions with government, but will seek clarity and secure their rights where required.

The Chamber is unequivocally committed to transformation and in our view has done more than any other component of the private sector to progress transformation in South Africa. The Chamber is appreciative of the DMR’s recognition of the progress made by the industry on transformation in its media session. That said, setting targets that the industry cannot achieve and are not based on sound science and data will simply create more contestation and further undermine investment in the sector going forward. We need workable and practical outcomes that progress the transformation journey that we are driving.

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