



mineral resources & energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

OPENING REMARKS BY MINISTER S.G. MANTASHE: DURING THE SOUTH AFRICA INVESTMENT CONFERENCE

Mineral Resources Policy and Opportunities for the industry in South Africa

17 November 2020

We host this conference under difficult conditions this year, this is due to the pandemic which has hit economies of the world to extents never seen before. The impact on South Africa's economy is compounded by the fact that the virus found us already in a technical recession due to an economic decline in two consecutive quarters. This was followed by a double downgrade by two rating agencies in March and April this year.

Mining, like all other economic sectors has not been spared. In response to this challenge, in the economic recovery and reconstruction plan, we have identified a number of interventions that will place the minerals and energy sectors on a recovery and growth path.

One of the interventions is the recognition that exploration is the lifeblood of mining. We must prospect, explore and exploit the world-class mineral deposits we have.

We will resuscitate the green field exploration with the aim of capturing a minimum of 5% of the global exploration share, which averages US\$10 Billion per annum. We have deliberately decided to invest in the geoscience mapping programme, through the Council for Geoscience (CGS). We believe this will boost investor confidence due to availability of more reliable geoscience data.

We have already started actioning the interventions in the recovery plan. For exploration, the Department, CGS and Industry captains are hard at work drafting the country's exploration strategy which will be the roadmap for the country's exploration programme.

We acknowledge the role of artisanal mining in the bigger economy. The policy team in the Department is in the process of drafting the Artisanal and Small-Scale Mining (ASM) policy. Currently, the MPRDA does not define ASM concept and does not sufficiently cater for the artisanal mining industry.

Small scale miners are virtually treated the same as large-scale miners in terms of environmental, water use, health and safety and financial provisioning requirements. This policy will recognise and redefine the role and contribution of the small-scale mining sector to the economy while making provision for its licensing parameters. We see this as an important driver to more investments into smaller high economic impact mining projects.

Energy is the epicenter of economic growth. Recognition of this fact is very much evident in the interventions we have placed in the economic recovery and reconstruction plan. We have committed and started implementing several interventions to ensure security of energy supply which will in turn drive economic recovery and growth. This includes fast tracking the registration and licensing of generation projects for own use. Energy security and availability factor are at the top of our agenda.

I therefore wish to implore all the investors at this conference to come forward and partner with us as we rebuild and grow the minerals energy complex.