



**Remarks by Mineral Resources and Energy Minister,
Mr Gwede Mantashe (MP)
update on the sectors interventions to combat the spread of Covid-19**

29 May 2020

President Cyril Ramaphosa announced that South Africa will move to alert level 3 of the nationwide lockdown. This will open-up the economy and remove several restrictions while government significantly expands and intensifies public health interventions.

The Department has been engaged in continuous discussions with stakeholders in the mining and energy portfolios to ensure that our collective interventions save lives and protect livelihoods.

We are going through a difficult period. We are called upon to learn to live with Covid-19. We need grow the economy while, we save lives.

In our view, Energy will be the flywheel of reviving our economy which has been severely impacted upon by the downgrades, recession and Covid-19.

The measures that we have taken have been developed in line with the call by the President for government to consult and implement a risk-based strategy that will enable a phased recovery of the economy.

Energy

To ensure security of energy supply to society, collieries that supply Eskom continued to operate at full capacity.

During Alert level 5 of the lockdown, we allowed refineries to continue operating at full capacity to avoid shortage of fuel. At the time, demand had collapsed due to the closing of the economy. As a result, four (4) refineries were closed.

With the gradual opening of the economy under Alert Level 4, the demand increased sharply - resulting in low stocks of diesel. It is expected that diesel will be rationed until the end of May, when refineries that were closed start producing.

The Department issued Directions to provide continuous supply of energy and petroleum products by allowing maintenance and construction work for energy projects to resume under strict health and safety protocols.

These Directions apply to professional entities that provide licences, approvals and authorisations for the maintenance and construction of energy projects; all professional planning, costing and design work that supports construction work on sites, contractors and consultants who need to travel across borders to attend to projects; and energy construction work already priced and awarded government tenders.

To give effect to SONA 2020 commitments and ensure security of energy supply post the lockdown period, the Department has:

- Published for public comments draft regulations amending electricity regulations which would enable municipalities to develop or procure own power generation
- Gazetted amendments to Schedule 2 of the Electricity Regulation Act, which provides clarity on requirements for generation for own use facilities of under 1MW
- Received concurrence from the electricity regulator, NERSA, to the Ministerial Section 34 determination on 2000MW emergency power

procurement. The department is currently working on expediting this process within the prescripts of law

- Awaits concurrence from NERSA on Section 34 Ministerial Determination regarding the generation options under the IRP 2019. This process will enable the opening of Bid Windows for various sources that include coal, solar, wind, gas and storage.

Mining

Under Alert level 5, collieries that supply Eskom and oil refineries were allowed to operate at full capacity. This was extended to open cast mines under Alert Level 4. Under alert level 3, all deep mining operations are expected to ramp-up to full capacity. This brings the mining industry to full capacity of production.

All mining operations must prioritise the health and safety of mineworkers and other persons who may be directly affected by the operations at mines. Compliance with conditions to the starting and increasing of capacity as enshrined in the lockdown regulations is compulsory.

Prior to ramping up, all mining operations are required to prepare and implement a mandatory Code of Practice for the mitigation and management of Covid-19. Failure to do so will be regarded as a criminal offence and a breach of the Mine Health and Safety Act.

We believe that the directive to all mining operations to ensure safe start-up procedures and the systematic phasing-in of workers will allow the sector to operate safely and optimally.

The Department continues to monitor compliance through regular unannounced and scheduled visits to mining operations. Following the unannounced visits, we discovered that not all operations are at the same level on compliance. Most of them were doing well up to screening but lagging on testing.

Once we made that discovery, we gave that feedback to the Minerals Council South Africa and insisted on improving on testing. Our insistence on screening and testing of all persons at mines, has enabled us to detect the virus in various mining areas.

As at Thursday, 28 May 2020, the mining industry had tested over 4 600 persons at mines, of which 384 tested Covid-19 positive. That means of the 27 403 cases in South Africa, 384 are in mining.

The more we test, the more we become aware of the extent of the problem and the location thereof.

The new complication that is emerging; is people who show no signs of Covid-19 but testing positive. This tells us that we need to intensify our screening and testing programme. We urged all mining operations to pull their resources together and share testing and quarantine facilities.

Wherein there is noncompliance to the regulations and a threat to the health and safety of any persons at mines, the Department will not hesitate to issue instructions as guided by the MHSA.

We want to express our appreciation for the support we are getting from MECs of Health in all the Provinces up to now.

We wish to express our condolences to the families of those who lost their loved ones in the country. We wish those who have tested positive a speedy recovery.

I thank you