

Empowerment for naturalised trips alarm

The third and most controversial iteration of the Mining Charter was developed by the Department of Mineral Resources by people with a lack of integrity, says Chamber of Mines CEO Roger Baxter, adding that he knows of a number of mining deals cancelled since the transformation guideline was released on June 15.



Roger Baxter, CEO, Chamber of Mines

The chamber approached the High Court in Pretoria on Monday for an urgent interdict to prevent the charter from being implemented. It argued the document was deeply flawed, violated a number of acts and was a case of "egregious overreach" by Mineral Resources Minister Mosebenzi Zwane, who was "usurping" the finance minister and Parliament.

Baxter questioned the purpose of the charter, which included a changed definition of beneficiaries of empowerment transactions to include black, coloured and Indian people naturalised after 1994. He asked whether the charter was written in the national interest to promote transformation or to benefit a small group of vested interests operating in SA's mining space.

Baxter said Zwane's claims in a statement that the chamber was antitransformation was "simply not true". He noted that according to the chamber's assessment of its 95 members, who represent 90% of the annual value of mined minerals in SA, its empowerment levels stood at 38% if the consequences of historic deals were included.

"The charter has been developed by a department which lacks integrity, capacity and credibility," Baxter said, stepping up

the war of words in the battle around the charter, which could be seen as a fight for its members' survival in the long term.

"The department's team is facing allegations, lots of allegations in many different things, whether it's in the e-mails that are being released, the State of Capture report [by former public protector Thuli Madonsela] or the academic report about SA's democracy being slowly stolen, or the South African Council of Churches issue. A number of individuals in the department have been fingered," he said.

The change of definitions of who would benefit from empowerment deals in the mining sector - away from historically disadvantaged South Africans to a broader definition of black people to include naturalised Africans, coloureds and Indians - was another deeply contentious issue that raised the question about the true motives for the radical clauses in the charter, Baxter said.

"When you've got what is being proposed in their charter coming through, is this really in the interests of promoting the transformation agenda or perhaps promoting someone else's agenda " the way the charter is written and what we're seeing, we are not convinced this is in the national interest," he said.

Source: *Business Day*

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