

Ramaphosa gets a vanilla rating at Mining Indaba

Post-lockdown recovery, safety, sustainability, regulation and a reliable power supply. Although President Cyril Ramaphosa ticked all the boxes in his opening address at the Mining Indaba 2021 virtual conference, he wasn't saying anything new or inspiring that would have foreign investors rushing for their cheque books.



President Cyril Ramaphosa

The problem with his speech was that he was telling the industry things they already knew. It was basically a review of the status quo, with only vague broad strokes of the path forward. He started off by stating the obvious, that mining like all industries had been affected by the pandemic.

"Apart from the direct effects of the pandemic on production, the wider challenges in the global economy have impacted on commodity prices and the performance of our currency," he said.

However, mining production did have an impressive recovery following the phased return of mining activity from the start of the coronavirus alert level 4. "As a signal of the extent of the disruption earlier in the year and the scale of its recovery, the industry recorded quarter-on-quarter growth of 288% in the third quarter of 2020," Ramaphosa said.

His somewhat rosy picture doesn't always jibe with the reality when he spoke about resolving policy and regulatory issues, as well as "greater sustainability, competitiveness and transformation". There are regular reports in the media about conflicts between communities and mining companies, some of which have been going on for years. Junior miners

complain that there are inherent barriers in the legislation that make mining licences prohibitive for them.



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Tracy-Lynn Field 14 Oct 2020



"Mining companies should foster an inclusive approach to all aspects of mining, from ownership to participation in management and also to procurement. There should be greater inclusion of women and women-owned businesses in all these areas. Mining companies should strive to incorporate and actively implement environmental, social and governance standards into all aspects of their business decisions and operations.

"The social and labour plans are critical to ensuring that mining communities benefit from mining activities in their areas, so that no one is left behind. Industry must step up their efforts to provide employment, business and training opportunities to people in the communities in which mining companies operate.

"All of these elements are included in the Mining Charter, which was extensively canvassed among industry stakeholders," he said.



Community and mining company clash over vanadium-rich land

Masego Mafata 28 Jan 2021



"We want to promote greater exploration and beneficiation in minerals and upstream petroleum activities, especially developing our domestic and regional gas market," he said.



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James Chester 1 Feb 2021



Energy supply

Again, Ramaphosa acknowledged the damage a costly and unreliable power is doing to the economy in general and the mining sector in particular., but failed to give any meaty details on timelines, except to say: "We are intensely engaged in the implementation of our Integrated Resource Plan. Through this plan, we are working to broaden our energy mix, enable energy generation for own use, and reform and strengthen the capacity of the state power utility, Eskom."

He concluded by saying: "A safe and healthy modern mining sector is one that is competitive, attractive for investment, but that is also technologically innovative. It also needs to be prepared and capacitated to respond to unforeseen disasters, unforeseen pandemics and crises in the future."