



Remarks by Mineral Resources and Energy Minister

Mr Gwede Mantashe (MP)

update on sector interventions responding to the nationwide lockdown,

2nd April 2020

Since our last engagement with members of the media wherein we announced interventions to support the decisive action by President Ramaphosa to initiate a nationwide lockdown, we have been working together with key stakeholders in the minerals and energy portfolio to monitor and ensure compliance with the lockdown regulations gazetted by Government.

MINING

In our previous briefing, we outlined that mining operations will be scaled down significantly, particularly deep-level mining. Essential services supporting the sector – including security and related infrastructure, maintenance, water pumping and ventilation, must continue.

Mines supplying Eskom continue operating. Production of gold, chrome, manganese, iron ore and other sectors will operate at scaled down levels, to allow smelters which cannot be switched on and off abruptly, to remain operational.

On Tuesday we undertook unannounced visits to three collieries in Mpumalanga – Exxaro's Matla Coal operation, Glencore's Impunzi Colliery and Seriti's Kriel Colliery. These operations are among those supplying coal to Eskom. The purpose of our visits was to assess compliance with the directives and guiding principles issued to mines on how to manage and prevent the spread of COVID-19.

We found that the mines are not at the same level in terms of their state of readiness to respond to COVID-19. There are some pockets of excellence, while others are lagging behind. We have encouraged mines to work together, in sharing information and best practice.

The Department has also received information from employees at some mining houses, bringing our attention to incidents of non-adherence at their respective operations. Our inspectors have been tasked to ensure compliance during this period and will intensify our visits – both scheduled and unannounced – to those mines still operating.

We are doing this not to be punitive, but with the primary objective of safeguarding the lives of employees, suppliers, contractors and all those they will come into contact with during this period.

While we understand the negative impact that the virus will have on the mining and energy sectors, we must appreciate that this is not the time to put profits at the expense of the health and safety of the people. Zero harm remains a priority, even more so during this time.

A number of mining right-holders have been applying to the Department for permission to continue operating, although at significantly reduced levels, in line with the Disaster Management Regulations categorisation of essential goods and services during the lockdown, which were amended yesterday.

ENERGY

On energy, as indicated previously, we have ensured security of fuel supply, and, in this regard, we have sufficient fuel to meet demand, despite two refineries that have been shutdown – namely Engen’s Durban refinery and the Astron Energy refinery in Cape Town. We also appreciate that there has not been loadshedding during this period.

I understand that some of the convenience stores (C-Stores) on the forecourt have been prohibited from operating. This is currently being addressed, as these stores also provide food, which is declared as essential goods. It is important that these stores follow the directives in the Regulations, to maintain hygiene and protect consumers. Guidelines to this effect will be issued to ensure that C-Stores assist in enhancing security and accessibility of essential goods and services.

There are currently three confirmed cases of Covid-19 in the mining and energy sectors – one each in Gauteng, Mpumalanga and Western Cape.

We encourage employers and unions in these industries to continue engaging on issues directly affecting employees and proactively manage them. This should be done in the interests of ensuring employee health and safety, as well as ensuring that companies are able to meet their obligations during this time.

We will be having follow-up meetings with employers and unions next week, in order to proactively manage this space.

I want to thank the mining and energy sectors for heeding the call by Government to assist in managing the spread of the corona virus. We welcome the offers of support from the sectors, including medical supplies, equipment, as well as availing health and other facilities. To date, about 770 beds have been made available for quarantine and self isolation by a number of mining companies. We commend these efforts, and encourage all companies to provide support to this cause in whatever way they can.

Our ongoing collaboration will ensure that we can manage the spread of the virus, and beyond this, to support efforts to get the economy up and running again.

A team of senior officials in the Department has been put together to assist with administrative enquiries. Their contacts will be included in the statement to be shared and available on our website.

- DDG: Petroleum and Petroleum Products Regulation – Mr Tseliso Maqubela (082 450 9224)
- DDG: Mineral Regulation – Adv. Mmadikeledi Malebe (082 446 6038)
- DDG: Mineral Policy and Promotion - Ms Ntokozo Ngcwabe (082 450 9223)
- Deputy Chief Inspector of Mines – Mr Xolile Mbonambi (082 787 3369)