

ECONOMY **PREMIUM**

SA mining leaders urge realistic energy transition

Discussion takes place as SA hosts the G20 Summit and associated B20 engagement

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Financial Journalist



Minerals Council SA CEO Mzila Mthenjane (Freddy Mavunda)

SA's mining and industrial leaders say the country's energy transition must be grounded in realism, long-term policy certainty, and stronger collaboration

between the government, industry and communities if the country is to unlock the full value of its mineral and industrial base.

Speaking at the B20 SA energy mix and just transition task force side event on Monday, hosted by Standard Bank, Minerals Council SA CEO Mzila Mthenjane and Sasol CEO Simon Baloyi said that Africa's energy transition had to be orderly, economically viable and socially inclusive, rather than driven by "punitive policy measures".

In recent years, SA's mining and industrial sectors have faced mounting pressure to align with global decarbonisation goals while maintaining competitiveness. Critical minerals such as lithium, copper and vanadium are increasingly in demand, prompting the government and industry to focus on unlocking local value and attracting investment.

Meanwhile, heavy industrial majors such as Sasol are navigating the shift from fossil-based operations toward integrating renewable energy, low-carbon fuels and biofuel development.



Sasol group CEO Simon Baloyi. (, Arena)

Mining companies are investing in renewable energy, with numerous projects under way across the sector. The projects highlight the mining sector's commitment to decarbonisation, even as infrastructure and transmission challenges continue to pose hurdles.

Mthenjane said Sub-Saharan Africa's critical mineral endowment, estimated at about 30% of global reserves, placed the region at the centre of global decarbonisation efforts. But he cautioned that without policy stability, efficient exploration systems and sound governance, the continent risked missing the opportunity to translate its geology into long-term development.

He added that long-term mining rights were essential for attracting new investment. “Mining is not a five-year business. Stable fiscal rules and competitive incentives are key to turning exploration prospects into operating mines.”

Baloyi echoed the call for pragmatism, saying heavy industry would play a crucial role in anchoring new low-carbon value chains, but only if the transition was paced to avoid economic damage. He warned that poorly sequenced or punitive policy interventions, such as overly aggressive carbon taxes, risked deindustrialisation and large-scale job losses.

“It has to be orderly, it has to be pragmatic and the plans have to be clear,” he said.

“Industries such as Sasol, Eskom and other energy-intensive players,” he argued, “hold engineering capacity, skills and existing energy demand that can be leveraged to catalyse early investment into renewables and emerging green fuels.”

The discussion took place as SA hosts the G20 Summit and the associated B20 engagement. The B20, which brings together business leaders from across the globe to provide policy input to the G20, is using the summit to highlight the role of private-sector investment in energy transition, industrial development and job creation.

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