

MEDIA STATEMENT

COLLABORATION REDUCES CONSTRAINTS ON MINING IN 2024 BUT MORE PROGRESS IS NEEDED FOR THE INDUSTRY TO REACH ITS TRUE POTENTIAL

Cape Town, 3 February 2025. The South African mining industry remained under pressure in 2024 as lower non-gold commodity prices and remaining logistical bottlenecks diluted the positive impact stemming from the absence of mining load curtailment since end-March 2024.

This meant that from depressed levels in 2023 there was only a marginal improvement in real mining production during 2024.

Notwithstanding the remaining mining sector challenges, in its annual [Facts & Figures 2024](#) booklet summarising the performance of the South African mining industry and its contribution to society and the country, the Minerals Council South Africa highlights that the industry:

- Directly contributed 6% to South Africa's total nominal gross domestic product (GDP) in the first three quarters of 2024. This was down from 6.3% in 2023.
- Exported goods worth about R800 billion, contributed 45% to the value of overall South African merchandise (goods) exports.
- Contributed more than R100 billion to the national fiscus during 2023/24 in the form of corporate taxes, VAT payments and through mining employee personal income tax payments.
- Provided direct employment to 471,882 people in the third quarter of 2024. Driven by retrenchments in the under-pressure platinum group metals (PGMs) sector, mining sector formal employment declined by almost 12, 000 people in the first three quarters of 2024. Even so, the mining sector still contributed 4.5% to total formal sector employment in South Africa. In the first three quarters of 2024, the average employment in mining was 474,876.

“These meaningful contributions once again highlight the importance of mining to the South African economy. If we can make further progress on lifting the remaining constraints on mining, including the momentum to Transnet's rail and port volume targets, dealing with crime and corruption as well as regulatory inhibitors, the sector has the potential to contribute to the performance and strength of the economy and enable broad social upliftment and progress. This is what the collaborative efforts between the government of national unity, state-owned entities and the private sector are working towards,” says Mzila Mthenjane, CEO of the Minerals Council.

In terms of expected milestones during 2025, the Minerals Council is looking forward to the launch of the new online mining cadastre system, expected in June 2025. This will be an important catalyst to unlock the appetite for mining exploration in South Africa.



Other milestones in 2025 include the publication of a critical minerals list and strategy for South Africa, as well as the next iteration of the Minerals and Petroleum Resources Development Act (MPRDA). These are both expected in the early part of the year. Based on prior engagement with the Department of Mineral and Petroleum Resources (DMPR), we anticipate that the MPRDA will set market friendly and growth enhancing 'rules of engagement' for mining in South Africa.

With the industry remaining under pressure and the MPRDA review on the horizon, we need to guard against adopting any policy measures that could harm the primary mining industry and deter much-needed investment in exploration and development of new mines.

"It is an absolute imperative to have a conducive operating environment that reduces the cost of mining to encourage more mineral exploration, enhances primary mining extraction and stimulates beneficiation when appropriate on commercial grounds," says Hugo Pienaar, chief economist at the Minerals Council.

All these activities will be in a year when South Africa holds the presidency of the Group of 20 (G20) and Business 20 (B20), which brings together business leaders from companies and business organisations in the G20 and beyond. South Africa hosts the G20 summit in late 2025.

"It is an opportunity to showcase the best of our country's mineral potential and to share our vision of development and our contribution to enabling the global transition to a prosperous and low-carbon future," says Mr Mthenjane.

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