

MEDIA STATEMENT

Minerals Council South Africa's 2026 State of the Mining Nation: Partnerships are driving progress amid critical reforms but progress is slow

Cape Town, 9 February 2026. Partnerships between the private sector and government are starting to yield the changes the country needs to unlock economic growth but the mining sector remains constrained by regulatory and operational bottlenecks that need urgent attention to unlock its full potential by attracting long-term and sustainable investment in exploration and mines.

“Mining and its direct suppliers support nearly 900,000 jobs and the livelihoods of 3.6 million South Africans. Mining is a powerful multiplier. Growing mining grows the economy and jobs. The way to grow the mining sector is through investment, which needs a globally competitive regulatory and operating environment. We are heading in the right directions, but we are not there yet,” says Mzila Mthenjane, CEO of the Minerals Council, whose members account for 90% of South Africa’s annual mining turnover.

The mining sector cannot improve investor confidence alone. It is only through partnerships, particularly with the government and, more specifically, the Department of Minerals and Petroleum Resources (DMPR), that a collaborative approach to creating a conducive regulator and operating environment can be created and sustained.

The first iteration of the Mineral Resources Development Bill gazetted in May 2025 was disappointing. It did not encourage or sustain the growth and investment that the mining industry needs to realise its full potential to create employment, stimulate the economy and fulfil its social mandate.

The lifeblood of mining is exploration. Without it the mining sector has no future. In South Africa, exploration expenditure was R781 million in 2024, down from a peak of R6.2 billion in 2006, according to Stats SA data. This is deeply troubling for our sector and it needs urgent attention.

Since May last year we have held talks with the DMPR on our submission regarding areas of concern for our members with the Bill. These engagements were generally constructive. We anticipate the revised Bill, which we expect to be published in coming weeks, will reflect our inputs to ensure mining attracts investment in exploration, mine development and existing operations.

“We are cautiously optimistic but if the revisions mirror the first iteration of the Bill, we will continue robust engagements with the DMPR,” says Mr Mthenjane.



Encouraging progress has been made in the business and government partnership in Operation Vulindlela under the Presidency to address three key crises that South Africa faced in 2020.

Railway performance has stabilised and is showing improvement, which is important for coal, chrome, iron ore and manganese exports. Electricity generation has improved, with the last loadshedding experienced in May 2025.

Operation Vulindlela initiatives to address crime and corruption helped secure South Africa's removal from the Financial Active Task Force (FATF) Grey List and contributed to an S&P credit rating upgrade in the last quarter of 2025.

The underlying structural reforms, particularly in electricity around the creation of a separate transmission company to own and manage the grid, to ensure the introduction of the private sector in energy generation and participation on railways and at harbours must not be delayed or changed because it will damage the green shoots of positive sentiment emerging towards South Africa.

“South Africa’s mineral endowment is extraordinary. With the right reforms, strong partnerships and policy certainty, we can attract investment, create jobs and build a globally competitive mining sector that benefits all South Africans,” Mr Mthenjane says.

Please click [here](#) for Mr Mthenjane’s State of the Mining Nation Speech

Please click [here](#) for the Facts and Figures 2025 Pocketbook

Please click [here](#) for Paul Dunne’s speech

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