NBI Climate Summit – Plenary Address
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MINERALS COUNCIL
SOUTH AFRICA

MINING MATTERS FOR SOCIETAL TRANSFORMATION AND TRANSITION

Distinguished guests, a special acknowledgement to the Minister for COGTA and leader of the IFP Hon. Velenkosini F. Hlabisa, programme director, ladies and gentlemen – and all protocol observed.

Thank you for your presence at this defining moment for our country and our continent. The theme of this summit, ***Turning Ambition into Action***, is not just aspirational; it is a call to arms. It speaks to the urgency of moving beyond declarations and into transformation and delivery.

This year, Africa is not just participating in global climate dialogue – it is hosting it. With the G20 and B20 summits have taken place on African soil for the first time, the world's attention is on how emerging economies, and Africa in particular, can lead the energy transition. The South African mining industry has a historic opportunity to demonstrate that climate leadership is not a headline, but a lived reality and real opportunity for responsible action and inclusive growth.

A brief reflection on our history illustrates this real opportunity. The mining industry was instrumental in shaping the character and nature of South Africa. Society was shaped to support the industry with cheap labour, the education system was designed for black people to remain subservient thus being excluded from skills development, employment opportunities were limited to low and semi-skilled levels for black people and electricity, road, and health infrastructure development was limited to benefit a minority population. Gold production reached a peak of 1000 tons in 1970 enabling tax revenues to be applied to significant industrialisation of the country during a period of heightening sanctions and moderate growth.

Today, mineral demand has expanded globally beyond gold to various critical minerals, as determined by national economic and innovation development strategies. Consequently, South Africa's mineral endowment of more than 30% of the world's known reserves for many of these critical minerals positions the country strategically to maximise the benefits from this era of demand, beyond mere beneficiation, and

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<u>extends to end-use of beneficiated minerals and metals for application in the construction of economy-driving infrastructure and social progress.</u> This outlook for our economic development will harness the diversity of our youthful human capital at a time of extensive technology adoption by the mining industry, enabling a better and inclusive skills development approach compared to our past. We have witnessed the effort of government in improving access to electricity and enabling infrastructure in many previously disadvantaged communities, but more and better-quality social development infrastructure remains outstanding to improve the quality of life through improved education and health levels, to name a few. An accelerated economic growth in the country can be achieved.

The mining sector and government have a real opportunity to collaborate for this growth, through investment and expedited policy reform respectively, to transform and shape a better future for South Africa; a future that will bear witness to broader and higher levels of capital investment and economic growth, catalysed by a higher performance of the mining industry to meet, *<u>firstly</u>*, domestic demand for most minerals and metals for our own industrialisation and infrastructure development, *<u>secondly</u>*, to establish a pathway for a just transition through inclusive economic growth and social development and *<u>lastly</u>* to supply world markets to enable the energy transition. Such is the power of the mining industry and the glory it can deliver for our country and the globe.

Africa is no longer a peripheral voice - but rather a co-architect of global governance. The B20 Energy Mix & Just Transition Task Force has made it clear: the world cannot achieve net zero without Africa's minerals, Africa's markets, and most critical, Africa's leadership. This is our moment to show that ambition can be translated into action – and action into impact. ***The Africa we want is the Africa the world needs…***

The mining industry of South Africa is prepared to provide the minerals that the world requires. However, we are equally determined to preserve and promote the ecosystems, communities and natural heritage on which future generations will rely. In this regard, the Minerals Council, through its members, and guided by our purpose "***to champion South Africa's mining industry for investment, growth and sustainability for the benefit of all stakeholders"***, is stepping up its efforts on four strategic fronts:

1. Enhancing environmental performance by improving water stewardship, biodiversity protection, tailings safety, land management and closure planning;
2. Developing sustainable supply chains by ensuring that mining and (all/critical) minerals development meet the highest global standards of transparency, traceability and ethical sourcing – making South Africa a responsible supplier of choice;
3. Driving a socio-economic transition by accelerating efforts in reskilling, community development, local sourcing, and creating economic opportunities; and
4. Building an effective South African Critical Minerals Proposition, because Africa will be the source of sustainable minerals for itself and for the world, and South Africa intends to lead that charge.

Our ambition is clear: to ensure that South Africa's mineral wealth is at the centre of our socio-economic development and driving the global energy transition while maintaining the highest environmental and social standards.

Ambition alone is not enough. Action is what matters. And across South Africa, the mining industry is acting decisively. Sixteen thousand megawatts of private renewable energy projects are in the pipeline - valued at over R275 billion. We are electrifying fleets, piloting battery-electric vehicles and deploying green hydrogen for heavy-duty applications. We are investing in energy efficiency and setting targets driven by science to ensure our commitments are measurable and transparent. These steps are not just about compliance - they are about competitiveness of the South African mining industry. Policies like the EU's Carbon Border Adjustment Mechanism are rewriting the rules of trade. We must prove our green credentials to secure access to global markets, hence the decarbonisation pathway we find ourselves on.

These are also not peripheral issues - they are central to climate resilience and operational continuity. And they demand collaboration. Through Operation Vulindlela and partnerships with Eskom and Transnet, we are breaking down barriers. Mining companies are co-investing in grid and logistics upgrades. We are negotiating wheeling frameworks to unlock private generation and private sector participation in rail systems operation.

Climate leadership is not just about reducing emissions - it is about creating economic ecosystems and livelihoods that thrive in a low-carbon future. South Africa must incentivise midstream processing of critical minerals - through special economic zones, competitive electricity tariffs and targeted fiscal measures. Climate leadership cannot be measured only in megawatts or carbon metrics. It must also be judged by its impact on people. South Africa’s transition must be just and inclusive. For workers, this means reskilling for the mines of the future - digital, automated and nature positive. For communities, it means building resilient local economies that thrive during and beyond the life of a mine, through intentional and well considered successor economic opportunities. We are leveraging enterprise development, procurement, infrastructure and technical expertise to create opportunities for SMMEs (including prospecting/exploration companies), black-owned, women-owned, youth-owned enterprises and enhancing opportunities for persons with disabilities. Our boldest ambition for the next decade is simple yet profound: to make mining the engine of shared prosperity.

To unlock the billions of dollars needed for this transformation, we must create an investment climate that is globally competitive. That means regulatory certainty to provide security of tenure and efficiency for predictable timelines for licensing and permitting. Stable fiscal frameworks that lead to increased investment competitiveness for mining development. Infrastructure reliability - roads, rail, ports and above all, energy security. Digital transparency is a game changer for restoring investor confidence - driven by our eagerly anticipated new cadastral system. The recently launched Critical Minerals and Metals Strategy is a bold vision that must be matched with time-bound implementation plans, clear accountability and unwavering commitment for reform to drive investment in our industry and economy to supply global markets.

Ladies and gentlemen, the leadership responsibility before us is immense - but the opportunity is even greater. South Africa’s climate leadership is in motion. The mining industry is proud to be driving that momentum. We have the resources, the expertise and the will. **With the political will and right policy environment, financing and collaboration, we can turn ambition into action - and action into impact.** The G20 and B20 summits have placed Africa and South Africa at the centre of global climate dialogue and domestic transformation action. Let us seize this moment - not as bystanders, but as partners in building a cleaner, fairer and more prosperous future for South Africa and the world.

I thank you for the opportunity.

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