



**HEALTH AND SAFETY: INDUSTRY RESPONSE TO COVID-19
KEYNOTE ADDRESS BY MXOLISI MGOJO, PRESIDENT OF THE MINERALS COUNCIL
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Day 1, 7 October 2020

Keynote Address, Mxolisi Mgojo: 11h50-12h15, followed by questions

Keynote Address

- How has Covid-19 impacted our zero-harm drive?
- Are we poised to overcome this and other health and safety threats?
- What lessons have been learned from Covid-19 that stand us in good stead for the future?
- Can we build on gains made in recent years towards zero harm?

Honourable Minister Mantashe, invited guests, members of the media, fellow miners...

For our industry, as for our country and the world, the COVID-19 pandemic has been a challenge beyond anything that has struck us in living memory. It is too early to make final pronouncements on how our industry has handled it. While we are certainly hoping the worst is behind us, we know that we cannot afford to be complacent. There are too many examples from around the world where complacency has led to setbacks.

And, ultimately the final judgment on how we – as a nation and as an industry – have risen to the challenge will not come from us, but from the evidence of the lives and livelihoods that were saved, and lost; and from the lives that were touched in both positive and negative ways.

Still, we do believe that, so far, we can say that we have learned many useful lessons. We can also say that many of the foundational measures that we have used to battle the pandemic have their roots in previous health and safety endeavours.

Is COVID-19 truly a black swan event based on its low probability and high impact? According to Black Swan author Nassim Taleb, it is not (although of course it may feel like it).



Core to this is whether or not the COVID-19 pandemic is an outlier. As history bears out, pandemics break out from time to time with massive impacts, and this is well known and documented. There have indeed been warnings at the highest levels about the possibility of outbreak of pandemics as we are currently experiencing with COVID-19.

Why am I labouring this point? I believe the way in which the industry was able to respond – swiftly and effectively – is because, while the impact of COVID-19 has been extreme, it is something that we as an industry have been better positioned than others to face. More importantly, we need to ensure that those same measures that have helped us, remain in place and that we do not take our eye off the ball in terms of safety and health overall in our industry.

So let me share the industry's response to COVID-19.

They say that timing is everything. With COVID-19, timeousness, clearly has been central to any country's response to the pandemic. It is clear that those that didn't act swiftly ended up facing the most severe consequences.

Like the South African government which acted early to contain as far as possible the spread of the pandemic, the Minerals Council's management, office bearers and board were conscious of this imperative.

From early February, a month before the pandemic first made landfall in South Africa, the Minerals Council began producing educational materials for distribution to members, based on communications from the National Institute for Communicable Diseases, and the World Health Organization.

We made our first public pronouncement on COVID-19 on 6 March, the day after the first case was diagnosed in South Africa. By then we had done a lot of thinking, planning and actioning, and it was no longer advisable to stay silent.

As early as that, we were ready to state, and I quote: "*We recognise that the mining sector has special circumstances that could make it vulnerable to transmission of infectious*



diseases such as COVID-19. Employees congregate in areas of work, and travel in close proximity. As mining often involves physical activity, there could be a high degree of exposure to the virus simply through contact with people, machinery and equipment.”

At the same time, we announced a 10-point plan which would form the basis of our standard operating procedure or SOP.

It included those features that were necessary to operating a mine in the COVID era – ongoing health education, adequate PPE, sanitisers, testing capacity, case management, including quarantine and isolation facilities, dealing with immuno-compromised and vulnerable employees, and others with comorbidities, travel issues and reporting.

Daily screening of every employee was added at a slightly later stage, as a basis for continuing essential service employment once the lockdown began, and for when mines started to reopen.

We are particularly proud that this SOP would become the basis of the regulatory regime once AMCU brought a legal action in May to require government to put in place more detailed, formal COVID regulations for the industry.

How did we manage to achieve this?

The fact is that many mining companies have occupational health departments run by medical professionals of the highest quality - dedicated, determined and creative thinkers. In fact, they are more than occupational health specialists. They are public health specialists. Not everyone may remember, but back in 2002, when our government and its health department were in the hands of HIV/AIDS denialist leaders, it was the mining industry that showed South Africa how to apply anti-retroviral treatment on a mass scale.



More recently, in 2016 the mining industry's public health heroes, together with their counterparts in the unions and in the Mine Health and Safety Council and other government health institutions, launched the Masoyise i TB campaign aimed at the industry's employees and communities. This they did at the urging of then Deputy President Cyril Ramaphosa. It is now the more broadly focused Masoyise Health Programme.

For years the industry was known as having a TB incidence rate far higher than the country as a whole. Thanks to Masoyise, that is no longer the case.

The point I am making is that, when the COVID pandemic arrived, our industry and its stakeholders had, over the last couple of decades, developed remarkable expertise in dealing with the spread of infectious diseases. We have put that expertise to good use over the past eight months.

I believe our conscientious approach to prevention and mitigation was critical in ensuring there were no unduly destructive consequences of the lockdown.

The mining industry was locked down along with most of the rest of the economy from 27 March, with the exception of essential goods and services. The industry came out in full support of the initial three-week lockdown announced by President Ramaphosa. Our engagements with Minister Gwede Mantashe and his team on how to manage that period began a week before the announcement.

In that week, it was agreed that operations supplying Eskom and the synfuels industry would continue to operate to ensure energy security. The maintenance of value-adding mining infrastructure, especially refineries and smelters which cannot easily be switched on and off, was fully recognised, and those operations were able to continue to operate at reduced levels, using stockpiled ores or lower levels of mining production.

Activities such as security, ventilation, cooling and pumping, refrigeration, tailings facilities and specialised maintenance could continue. The quid pro quo, happily agreed to by the industry, was that preventative and monitoring measures to protect those essential staff, based on the SOP, would be fully applied.



Relatively smooth application of these procedures helped facilitate further engagement with government through Minister Mantashe, enabling President Ramaphosa to include in his mid-April amendments to the lockdown regulations a provision permitting non-essential mining to begin to return to a 50% level of operation.

The shift to Level 4 at the beginning of June made it possible to further accelerate towards a return to what we could call our new normal, always subject to stringent precautionary measures.

Make no mistake though – the lockdown came at a price – but one which our industry supported in the interests of slowing the progression of the disease and protecting those who are most vulnerable.

By our own initial estimates, the economic impact of the lock-down on mining production is significant. We anticipate that annual production will be between 10% - 20% lower than in 2019. Given that mining has high fixed costs – 51% on a weighted average basis – this has had a severe impact, albeit having been softened by robust commodity prices in some sectors.

Most companies continued to pay employees for all or most of the initial lockdown period, at a cost of several billions of rands.

As of this week, 352,935 mining industry employees are at work - that is around 78% of our total workforce.

Among these are employees who, during August and September, were able to return from their homes outside South Africa, subject to quarantine periods. This became possible through complex, delicate and ultimately successful negotiations with a range of government departments and entities, including the DMRE, the Department of Home Affairs and the SAPS.

The Minerals Council leadership became concerned, as we began phasing up our operations as the lockdown began to ease, at our safety performance. It became apparent that our efforts to reach another step change in improved performance, as we saw in 2019,



were under threat. It is well known that restarting mining operations, especially underground operations, after a long break, can have adverse safety performance consequences, and all the more so when managements and employees had to be focused too on implementing the COVID SOP.

But we couldn't allow ourselves to neglect other Zero Harm imperatives. Mid-year we carried out some tough hard talking and communication between industry leaders. There are signs of a return to better safety performance, but we will need to stay focused. And this culminated in our National Day of Health and Safety.

Throughout this time, we have had also to maintain an awareness that our employees and our mines are part of their communities.

Member companies donated many hundreds of millions of rands to the Solidarity Fund and other funds; they undertook enormous outreach projects – from food parcels to vulnerable communities, to providing oxygen, sanitisers and equipment to hospitals and communities and, in the case of a number of members actually building or handing over to local authorities field hospitals.

Another example of where the mining industry collaborated with each other and other stakeholders, and one which lies very close to our hearts, is the oxygen relief initiative in the Eastern Cape.

Undertaken by the Minerals Council and supported by 13 member companies who together contributed about R5 million, we provided oxygen and oxygen-related products for the Eastern Cape, a mining affected province without mines. Historically, many employees were drawn from the province and currently 15% of member companies' current workforce originate from the Eastern Cape.

We ensured that we had sufficient capacity for quarantining employees and their families, and providing isolation and treatment facilities too. But, it was in the case of testing that I believe that the industry's collaboration made a substantial difference to the management of the disease.

Just imagine the logistics that come into play in an industry that now screens close on 400,000 people every day, and the technology that was rapidly introduced to be able to do this as quickly and as remotely as possible. Add to that the need to test, quickly, and to get results rapidly.

Testing as we know is a fundamental part of any country's response to the pandemic and those countries that have been able to test more comprehensively have had greater success in flattening the curve. The old adage applies – you cannot manage what you cannot measure, and so our screening and testing programs have been very thorough and our testing rate is nearly double the national average.

Testing in South Africa is guided by the criteria stipulated by the NICD. This means that people are tested only when they fail the COVID-19 screening tests. However, given the exigencies that exist within the mining operations themselves, and the fact that the industry is reporting a very high level of asymptomatic cases, there are very real reasons why the mining industry modified its protocols and has tested more.

A number of mining companies, including my own, took the initiative to procure and establish both their own testing capacity (machines, testing kits and reagents, and qualified staff), or to enter into arrangements with private facilities to secure access to increased testing capacity. Companies collaborated regionally in this endeavour both in respect of their own needs but also to support regional testing needs.

Our approach was thus to add to, rather than deplete, national testing reserves.

As of this week, the industry had undertaken around 53,000 tests, yielding 17,155 positive cases. Importantly, more than half of these cases were completely asymptomatic, showing the very high degree of contact tracing testing that was undertaken. The testing rate for the industry to date is nearly double that of the national average.

At the outset we were faced with another dilemma, to which we had to give a great deal of thought. Do we carry out the precautionary work we are doing as quietly and unobtrusively as possible? Or do we maintain the normal standards of reasonable openness?

We went into this with our eyes wide open. This is the mining industry. Because of its history, including its occupational health and safety history, particularly in respect of communicable disease, we were going to face a lot of scrutiny. Do we provide information transparently, information that may provide ammunition to our critics, and even be misinterpreted and misused by them? Or do we use the data for our own purposes to track and help manage the pandemic, but keep it to ourselves?

The latter course would not have been unusual. That, after all, is what most firms and sectors have done, where they have monitored it at all. Government has been one employer that has given out information on the incidence of COVID-19 among employees, but then only sporadically.

We decided that, in this too, we would be transparent from the outset, not only in respect of the precautions and performance, but in what we didn't know, or were learning, and in sharing some of these learnings.

So almost from the outset, with the assistance of our members, we began to issue a daily record of the number of tests, cases and deaths, by industry and province, with comparisons with national and global developments. Since a month ago the frequency has been reduced to weekly because of the reductions in numbers. But let me remind you that we issued the first such dashboard on 26 March, when the number of infections in the industry was 1 (one). We also soon began to hold weekly media briefings (since August also reduced in frequency) where we presented a wide range of information and have been open to any queries.

We did have situations where transparency, combined with our intensive screening and testing regime led to misinterpretations – by critics, by government leaders and others – that the incidence rate was higher in mining than anywhere else. “Mining is the epicentre of COVID-19” almost became a conventional wisdom for a period. We have had to put a lot of energy into explaining that the more you screen and test, the more contact tracing you do, the more cases you will diagnose, especially given the high proportion of asymptomatic cases we have seen.



For the most part, we believe we have succeeded in protecting, and even enhancing, the industry's reputation in respect of the pandemic.

And not unjustifiably so, I believe.

So, how has the mining industry performed?

Firstly, we cannot be self-congratulatory about a public health pandemic that has led to the deaths of 184 of our colleagues. I still recall the shock we all felt on 15 May when we were informed of the first miner to have succumbed to the virus.

In other ways, too, it has not been smooth sailing. There were several clusters of COVID-19 diagnoses at a few mines. We have been dealing with many unknowns. It was not clear how to deal with many of the unprecedented situations that arose. That we were able to interact with and learn from each other, and from the best medical advice available in South Africa and in the world helped a great deal. But even they were learning all the time.

The mining industry, like South Africa, experienced surges of COVID-19 cases and deaths in the several weeks from mid-June to early August, when the easing became apparent – and thankfully it is still easing.

This brings us back to the industry's risk-based approach to safety and health overall, which underpins all that we do.

I do not want to downplay for a second the enormous efforts and resources that have been committed to fighting this pandemic at a company and industry level. I have personally been involved, for example, in the CEO Zero Harm Forum meetings which – for several months when the pandemic was at its height – met virtually on a weekly basis. Under the leadership of its chair, Themba Mkwanazi, this forum of CEOs and senior executives of this industry sought to understand best practice, to guide the industry's response, and to share learnings.

An important component of this has been the reshaping of our Khumbul'Ekhaya strategy – which literally means remember home – to encompass COVID-19.



The Minerals Council recognised very early on in the process, that fundamental research was critical to support the mining industry and others in dealing with the impact of COVID-19. The CEO Zero Harm Forum re-allocated research funding to focus on three COVID-19 related areas:

First, we needed to continually learn about this disease and its impact, not just from one another, but also from independent research.

A particular focus was to understand what makes people vulnerable and what we can do to prevent people from dying.

The Minerals Council has collaborated with the Aurum Institute to conduct an analysis of the cases and those who succumbed to the disease.

The Minerals Council has also commissioned UNISA to conduct a study to determine the effectiveness of all the control measures currently in place across the mining industry and whether these are achieving the intended objectives and what improvements are required.

Work was also undertaken with mining companies and behaviour change experts focussed on sharing and understanding leading practices and lessons to change behaviour among employees and in communities. We have developed practical field guides to share the findings and improve our efforts both at work and beyond the mine gate, and have made these available well beyond the industry.

The third component of this research was the development and enhancement of a geographic information mapping system. The Minerals Council developed and implemented a GIS system to inform decisions and mitigate the risks associated with transmission. The system outlines the prevalence of transmissions in communities and provides an overview of the coping mechanisms in place in different areas, such as hospitals and clinics.

But we know that the apparent easing of the situation is not cause for complacency. On the contrary, unless we continue to maintain the same level of caution at our operations, we will be increasing the risk of a second wave.



COVID-19 has been a massive event for our industry and our community – a white swan event rather than a black swan. And, what that means is that we can expect something like it again. Our industry and our nation must ensure that we are ready for it. And we must be sure that we do not accelerate it.

An article published in The Lancet in July warns us that COVID-19 has the “*potential to cause substantial disruptions to health services, due to cases overburdening the health system or response measures limiting usual programmatic activities*. We, as an industry must be particularly vigilant that we do not backslide in respect of those disease where we have made great strides – such as TB and HIV. And we cannot relent on any of our health and safety efforts.”

What I can assure you is that we, as an industry are alert to this and have already started making plans – with our colleagues in labour and government – to ensure that the unseen pandemics do not rise and overtake us in ways that could have been prevented.

Thank you for your attention, and to my fellow CEOs in the room, for your unrelenting efforts during this very trying time.

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