



CHAMBER OF MINES
of South Africa

MEDIA STATEMENT

Response from the Chamber of Mines to the publication of the draft carbon tax bill

Johannesburg, 4 November 2015: The Chamber of Mines notes the publication by the National Treasury of the draft carbon tax bill for public comment, and will respond on behalf of its members.

While the Chamber still needs to scrutinize the proposed bill, our view is that the introduction of a carbon tax should be delayed by five years, particularly in the absence of a proper regulatory impact assessment on the economic costs and benefits of imposing such a tax.

Says Roger Baxter, Chamber of Mines CEO, “South Africa is already operating below the peak-plateau-decline trajectory of carbon emissions per unit of GDP to which President Zuma committed the country in Copenhagen in 2009. Since South Africa has already achieved these targets, the proposed carbon tax will have no effect in this regard.

“In the absence of a global deal on climate change and carbon taxes, for South Africa to adopt a carbon tax would not materially reduce global carbon emissions (the country only accounts for 0.9% of global carbon emissions. Further, the imposition of a carbon tax in South Africa would make it the only developing country in the world to do so (and ahead of a number of competing developed countries - such as Australia).

“Finally, with electricity prices already having trebled in real terms in the past seven years, further cost increases imposed by carbon taxes could further undermine the embattled mining sector.”

