

MEDIA STATEMENT

MINERALS COUNCIL ADDRESSING COMMUNITY RELATIONS CHALLENGES IN MINING REGIONS

Cape Town, 5 February 2019. Minerals Council Senior Executive: Public Affairs and Transformation Tebello Chabana today outlined at the Mining Indaba the work being done by the organisation to improve relationships between mines and communities and to improve the developmental outcomes of companies' corporate social investment programmes.

The Minerals Council has established project offices and structures in Mpumalanga and the Northern Cape and the work is focused on the mining areas in those provinces.

Chabana, in acknowledging that a gap between community expectations and mining company efforts, identified certain structural regulatory issues that are acting as obstacles to optimal outcomes.

Firstly, mining companies are obliged by Mining Charter requirements to link their social spending to the priorities set out in local authorities' integrated development programmes (IDPs). However, the IDPs are often not aligned with community priorities and expectations.

Secondly, local authority spending on delivery programmes and infrastructure investment is lacking. In the 2017 financial year they underspent by R53 billion, according to the National Treasury.

Thirdly, although the charter's words encourage collaboration between companies in the same region because it promises more impactful forms of investment, the regulatory procedures are a disincentive to collaboration in that they do not fully "credit" such programmes for charter compliance purposes.

The Minerals Council is committed to working with government and other social partners to address these issues, and to strongly encourage greater collaboration between its members and with government and other stakeholders.

Chabana said the industry can still play a key catalytic role in driving meaningful developmental outcomes. This could include capacity building initiatives in host municipalities through secondments and joint undertakings.

He also disclosed that the Minerals Council had recently adopted a human rights framework for members that will encourage the adoption of globally accepted best practices, including the implementation of grievance procedures for community members.

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