

## **MEDIA STATEMENT**

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### **MINING INDABA 2019: NATIONAL PLATINUM STRATEGY FOR SOUTH AFRICA**

**Johannesburg, 6 February 2019.** The Minerals Council, led by CEO Roger Baxter, and Anglo American Platinum CEO, Chris Griffith, today hosted a media briefing on the National Platinum Strategy for South Africa at Mining Indaba 2019.

The South African economy has benefited significantly from PGM mining. Between 1980 and 2015 the industry produced 221 million ounces of PGMs valued at R1.2 trillion (US\$170 billion). The profits generated from the sale of PGMs were distributed to multiple stakeholders, principally across the South African economy, over that period.

The PGM sector developed into one of the largest components of the mining industry. It is the largest mining employer and remains a significant export revenue earner. Its development, investment and transformation footprint on the economy is significant and in 2018, the PGM sector:

- produced around 259 tonnes of platinum;
- exported around 89% of the metals produced;
- earned around R96 billion in revenue;
- employed around 168,000 people directly;
- paid employees R48 billion in earnings; and
- contributed R0.9 billion in royalties.

However, the sector is in crisis. Over the past five years, it has struggled with an oversupplied market - a function of structural changes in global supply and demand fundamentals, including increased growth in recycling, flat new-mine supply and weaker demand, domestic labour strife, declining productivity and rapidly escalating costs. At current prices, more than 60% of the platinum mining industry is loss-making or marginal.

The National Platinum Strategy for South Africa, developed by the Platinum Leadership Forum which comprises platinum producing members of the Minerals Council, is aimed at addressing the current crisis, preventing further erosion of the economic capacity of the industry and ensuring that the world's largest PGM resource realises its full value through the addition of more than 1 million jobs and a contribution of R8.2 trillion to South Africa's economy by 2050.

Achieving the aims of the Nation Platinum Strategy will require collaboration between all stakeholders, involving urgent and bold action by the South African government in the form of support which will



allow the PGM sector to tackle short term challenges while at the same time investing in the long-term future. At the same time, a concerted and co-ordinated effort by the public and private sector, supported by the framework of a national strategy, is essential to enhance the short-term and prevent the long-term opportunity from being squandered.

For further information on the National Platinum Strategy for South Africa, see <https://www.mineralscouncil.org.za/downloads/send/16-featured/692-national-platinum-strategy-for-south-africa>

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