

MEDIA STATEMENT

THE MINERALS COUNCIL SOUTH AFRICA IS CLOSELY ENGAGED WITH GOVERNMENT IN THE FIGHT AGAINST ILLEGAL MINING CRISIS, AND IT OUTLINES URGENT ACTIONS TO ADDRESS THE SCOURGE

Johannesburg, 8 September 2022. The Minerals Council South Africa and its members have increased their collaboration with the government's security cluster in the fight against illegal mining and to protect our staff and assets from criminals to combat the scourge that is costing lives and billions of rands.

The South African mining sector is facing an unprecedented crisis in crime. The threat to the mining industry, and the broader country, is very real, resulting in deaths of mine employees and illegal miners, closures of operations, and losses to the fiscus of billions of rands. It has reached unacceptable levels of outright, blatantly violent criminality.

There is also large-scale, unregulated mining of virgin deposits in South Africa, depriving the state and its citizens of tens of billions of rands in export earnings, taxes, and other benefits. These illegal operations have appalling safety and environmental records.

The consequences of these illegal activities go beyond financial considerations. The negative impact of illegal mining activities on nearby communities is severe. It includes rape, murder, violence, intimidation, prostitution, child abuse, collusion in criminal activities, human trafficking, extortion, and the degradation of quality of life and societal values.

The deaths of mine employees, along with intimidation and corruption of mine staff, at the hands of these violent and heavily armed criminals are unacceptable and they have devastating consequences for families and colleagues.

Criminal enterprises are not only attacking the mining industry, they also target Transnet's rail infrastructure and Eskom, effectively sabotaging the economy of the country. The mining industry lost revenue of R35 billion in 2021 because rail deliveries of minerals fell short of

targeted tonnages. The syndicates and perpetrators of these crimes are committing economic treason, which demands urgent and effective intervention from the government.

These activities severely damage South Africa's image as a mining investment destination. In the latest [Fraser Institute Survey](#) of 84 international mining jurisdictions, South Africa was ranked near the bottom in security (see page 75).

The Minerals Council is more active than ever in participating in the government's revitalised focus on illegal mining and crimes against formal mining companies.

The Minerals Council strongly supports efforts by the security cluster to tackle illegal mining and associated crimes, with improved policing and intelligence-driven initiatives.

However, the nature and scale of these criminal activities requires bold and decisive interventions. There is more that is urgently needed from the police, crime intelligence, justice, and regulatory oversight to meaningfully address the problem.

The Minerals Council reiterates its call for:

- the establishment of specialist well-resourced and dedicated mining police task force focused on mining-related crimes.
- urgent changes to the law to define illegal mining as a recognised criminal activity with strict penalties.
- improved crime intelligence to ensure the leaders of the criminal syndicates behind illegal mining are arrested and prosecuted.
- fresh engagement with the Department of Mineral Resources and Energy about how to deal with 6,100 derelict and ownerless mines as well as old mine dumps within the regulator's remit in innovative ways to curtail criminal activities at these sites.
- expedite the inclusion of artisanal and small-scale miners in the formal economy. This does not include legalising illegal miners, who are engaged in criminal activities. There can be no formalisation or acceptance of criminal enterprises.

Please click on this link to find the Minerals Council's fact sheet on mine security and information about illegal mining: <https://www.mineralscouncil.org.za/industry-news/publications/fact-sheets/send/3-fact-sheets/1920-security-challenges-in-mining>

Please click on this link for the opinion piece written by Tebello Chabana, Minerals Council Senior Executive: Public Affairs and Transformation:
<https://www.news24.com/fin24/opinion/opinion-sa-needs-a-specialist-police-unit-to-deal-with-military-precision-illegal-mining-20220815>

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