

## R850m set aside for beneficiation initiatives

Mineral Resources and Energy Minister Gwede Mantashe says R850m has been set aside to support beneficiation initiatives by science councils that will forge a developmental growth path and transform the economy.



Gwede Mantashe, mineral resources and energy minister

“Beneficiation has the capacity to create decent employment. It can, potentially, turn our comparative advantage in terms of mineral endowment into a competitive advantage,” he said.

Steps to address administered prices in electricity, port and rail tariffs, which hamper investment and growth, are being considered. “These are attempts at attracting beneficiation projects locally. We will work with other departments to achieve this objective.”

Mantashe said, meanwhile, that in the South African context, platinum group metals (PGMs) form the largest portion - 90% - of the country’s untapped resource endowment, conservatively valued at around \$2.5trn.

“To take advantage of the country’s abundant platinum resource, the Hydrogen South Africa (HySA) flagship project was launched to beneficiate platinum through use in hydrogen powered fuel cells. The project aims to achieve the local production of 25% of the global demand for beneficiated platinum in fuel cells by 2020 through the production of the catalysts, components, selected fuel cell systems and the generation and distribution of hydrogen.”

### Long-term sustainability strategy

Together with stakeholders, the department is developing a growth and competitiveness strategy which takes into account that growth, transformation and competitiveness are all critical for the long-term sustainability of the mining sector.

“Significant investments, totalling R45bn and creating an estimated 4,000 permanent jobs, poured into the sector in the past year. “Among them, R21.8bn by Vedanta Resources in the Northern Cape, Sasol’s R14bn mine replacement programme at Shondoni and Impumelelo in Mpumalanga, and Exxaro’s R3.3bn mine investment in Belfast, Mpumalanga.

“These are an endorsement to South Africa being an attractive destination for mining investment,” said Mantashe.

A total of 60 mineral resources projects are in the pipeline for 2018 - 2020, with an investment estimate value of R110bn, and a projected 32,000 jobs.

“These are projects in exploration, expansion, new mines and processing plants. We recognise the growth of junior miners, who are significant players in exploration,” he said.

## **Skills development and training**

In response to the president’s priority of education, skills development and training, the department has allocated R800m to fund, amongst others, bursaries, apprenticeships and internships in the fields of geology, electrical, mechanical, mining and rock engineering, as well as artisanal training.

“The Mining Qualifications Authority (MQA) currently supports 1,700 bursars, and 849 beneficiaries will receive bursaries in this financial year, adding to those already spread across universities and TVET colleges.

“In partnership with mining companies, 4,000 unemployed youth are training as artisans and another 800 will be recruited this year.

“The MQA graduate development and internship programmes place undergraduates at mines for in-service training, and graduates in two-year internships with the mines,” Mantashe said.

Government is prioritising training for mining communities. Beneficiaries are being trained in plumbing, tiling, carpentry, welding, clothing manufacturing, small scale mining, crop production and entrepreneurship.

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