

**PREMIER HONOURABLE MANDLA NDLOVU
OFFICIAL OPENING AND STRATEGIC OVERVIEW OF
THE ENERGY AND MINING SECTOR COLLOQUIUM:
07 MARCH 2025 AT THE RIDGE, CASINO DOME**

MEC DEDT: Honourable Masilela

All MEC's present

Executive Mayors

Traditional Leaders, led by the Chairperson of the
Provincial House of Traditional Leaders and Khoisan and
President of CONTRALESA, Kgosi Mokoena

Representatives from the Mining Houses

Representatives from different Business and Industries

Members of the Provincial Legislature

Director-General, Ms Skosana

HOD's present

Chairpersons and CEO's of Entities

Acting Provincial Commissioner, Major General Dr
Mkhwanazi and all law enforcement agencies present

Distinguished Delegates, Ladies and Gentlemen,

1. When I started to do my work as a Premier of
Mpumalanga, I met various stakeholders, but after

analysing all the different provincial stakeholders, I realised that I still have to meet one of the stakeholders that its responsibility include the interest of all the stakeholders in the province.

2. I am happy that today you are all here in this room. It is a pleasure to host this illustrious gathering in Emalahleni today as we come together to openly engage on issues that significantly impact our province.
3. Your presence here underscores the shared commitment of fostering economic growth and addressing the challenges within the energy and mining sector.
4. It is very encouraging to learn that Eskom and a number of other stakeholders are presenting programmes that are geared towards reducing if not solving all energy problems in the country.
5. The people of Mpumalanga and South Africa in general are awaiting with the sense of anticipation and the atmosphere of eagerness for the outcomes of this

gathering. Energy supply is the oxygen that keeps the economy breathing, without it the economy does suffocate.

6. Some of our MTDP targets include are but not limited to:

- Economic growth of 3%
- Reduction of unemployment to 25%
- 60 000 jobs annually, to make it 300 000
- Reduction of poverty to 35%
- Zerorise Youth graduate unemployment rate
- Reduce income inequality
- Gini coefficient of less than 0.60

7. Household Service Performance

- 87% of households in this province have access to clean water.
- 94% of our households have access to electricity.
- 95.9% of our households have access to sanitation.

- We still have 53 old schools which were built by communities and the re-roofing of 81 asbestos schools.
- On refuse removal we are not happy with our performance but we are working hard to improve, we currently stand at 51%
- Demand for health facilities is also very high

8. I appreciate that you are investing in the province. Your investments help us improve the lives of the people of Mpumalanga Province. The backlog is very huge and the fiscus shrinks every year.

9. We acknowledge and appreciate some of your contribution to some of our communities

- Northam Platinum Limited, Dwarsrivier Chrome Mines, Glencore, Rustenburg Platinum Mines, Two Rivers Platinum and Sancor Chrome; The 60% contribution on the construction of the

P171/1 road between Mashishing and Roosenekal

- Glencore: Clinics and roads
- Thungela: bursaries, disabled center and skills development
- Seriti: ambulance, police station, police vans
- Exxaro: road construction and workshops for SSMEs, classrooms
- Sasol mining: agri- processing hub, sanitation, water, electricity
- Mbuyelo Coal: water
- Kangra Mine: water
- Msobo Coal: ECD, taxi rak

10. There are those that are contributing but remain silent, we will not know because silence is the friend that never betrays.

11. I am here today to beg you to invest in our people.

12. It is also reassuring to learn about the industry's skills and enterprise development plans for the previously marginalized members of our communities in the energy sector.

13. Enterprise development is a crucial area of development within the energy space for our province, given the prominent role that Mpumalanga plays in the energy supply throughout the country.

14. Our understanding of transformation and inclusivity in the energy industry does not only refer to the ongoing shift towards cleaner, more sustainable energy sources but, it speaks of ensuring that all communities and demographics have equitable access to energy, regardless of socioeconomic status, gender, or geographic location.

15. Effectively this means that no one is left behind in the transition to a greener future; which includes addressing issues like workforce diversity, community engagement, and affordable energy solutions for marginalized groups.
16. Programme director the governing party in this province has reaffirmed its position on coal power stations and by extension coal mines and the matter of transitioning to clean energy.
17. Our economy is depended on coal, coal employs more than 70 000 people in the province and there are many more people who benefit on this industry directly and or indirectly.
18. We must also acknowledge the uncertainties associated with the Just Energy Transition (JET). While the transition offers avenues for diversification and sustainability, it also poses significant risks to

communities and industries that are reliant on traditional mining activities.

19. The planned de-commissioning of some of the Eskom coal driven power stations such as Komati, Hendrina, Camden and Grootvlei in the next couple of years, will have an impact on these areas and also on the coal mining industry.

20. One must just remember, that there are certain coal produced that can only be utilised for coal driven power stations only. Let me emphasise only for coal driven power stations. There's also coal exports via Richards Bay and Maputo, to earn foreign exchange for the country and the province.

21. According to research (especially of SALDRU of UCT), the majority of workers in the coal industry are semi-skilled employees, predominantly young African males with matric.

22. We are very much mindful of the ongoing energy transitions and decarbonisation efforts that are poised to bring profound shifts in the sector's employment, including massive new opportunities for job creation in clean energy.

23. However, we have always maintained that we need to have a good and reasonable balance between our responsibility to address climate change and global warming and our obligation not to expose our people to harsh realities of job losses and their loss of livelihoods.

24. It is because of this backdrop that we are fully behind science and technology research initiatives for carbon capture, storage and reuse age that makes it possible to reduce carbon emissions from the atmosphere.

25. Whilst the research on this technology is still at an infant stage, the preliminary results are showing positive signs that it can be done.

26. We therefore call upon the private sector and the public sector to hold hands and find ways and means to finance and support this research.
27. We would also like to acknowledge Eskom for their efforts to bring transformation of the energy sector.
28. The issue of inclusivity and localisation as opposed to using foreign suppliers within the supply chains needs urgent attention. We are glad that Eskom has prioritised this issue and our people stand to benefit from an inclusive and localized environment.
29. We believe that the energy sector must be fully prepared for the changes and opportunities that are presented by the transformation and transition.
30. For transition to be truly people-centred, the diversity of the workforce must be a paramount consideration in policy and programme design for training and skills development.

31. Women, in particular, are strongly underrepresented in the current energy labour force. The same should not be found in the clean energy sectors. This presents an important moment for course-correction to ensure that the new energy workforce is more inclusive, gender-balanced, and enabling of equal opportunity compared to the energy sector of today.
32. The mining school that the government is proposing is one of the many initiatives that are already underway to support skills development, targeting education and skills training programmes to specific groups, notably women, youth and people with disabilities
33. The school will collaborate with several companies and industry organisations, among other stakeholders, to develop a comprehensive educational and skills training programmes to meet the challenges of the industry.
34. The energy sector will have to think along the lines of a mining school and come up with skills and training

initiatives to respond to the needs of just energy transition.

35. We have been told that the clean energy sectors are set to grow rapidly over the next decade, and companies may face a lack of skilled workers that match the skill needed for a project in the region it is located.

36. In some cases, this requires the development of completely new programmes of education, certification and vocational training, while in other cases, it means targeted upskilling or reskilling for the existing workforce.

37. Mining is contributing around 20% to the Mpumalanga GDP and almost 6% to the provincial employment (70 000 workers). According to a 2024 DMRE report, there are 262 operating mines and quarries in Mpumalanga, of which 173 contributes two thirds are coal mining related.

38. Many of these mines are in municipal areas such as Emalahleni, Steve Tshwete, Thaba Chweu, Msukaligwa, Victor Khanye, Govan Mbeki, as well as Emakhazeni and other areas.

39. According to the Department of Mineral Resources, the mining industry (most of it coal related) in Mpumalanga achieved export sales of primary minerals valued at R177.6 billion and local sales amounting to R97.8 billion in 2022.

40. Between 1995 and 2022, Mpumalanga's contribution to South Africa's local primary mineral sales ranged between 26.5% and 50.3%.

41. During the same period, Mpumalanga's share of the country's export primary mineral sales showed a gradual increase, climbing from 16.7% in 1995 to 27.4% in 2018, before declining to 16.7% in 2021 and then recovering to 25.8% in 2022.

42. It should be noted that Mpumalanga's mining industry still has a comparative advantage and the highest labour productivity of all the sectors in the province.

43. The industry has also achieved the employment equity targets with 43.8% being on the core skills, junior management (59.7%) middle management (57.1%) and 48.5% senior management in 2022.

44. With procurement targets, the industry has achieved all the targets by an average of 75%. About 98% of mining employees have written contracts compare to 59.7% in the entire economy.

45. The 2012 Mining Lekgotla, held under the theme "Towards Mining for Sustainable Development," reached several key conclusions, including:

- The mining industry remains central to the provincial economy and job creation. At the same time, the rule of law and stability are fundamental pillars of our

democracy and are essential for ensuring economic and social development.

46. The government and the mining sector must work together to ensure the sustainability of the industry, securing the future of our province and its people.

47. The need to expedite transformation in the mining sector remains paramount.

48. There is an urgent need for collaborative efforts to implement processes that bring about real, meaningful change while sustaining and improving production.

49. Recent studies conducted by the province indicate that key opportunities within the mining industry stem from value chains associated with coal, gold, granite, and sand. These commodities remain critical in driving economic growth and job creation in the province.

50. To this end, the provincial government has already adopted a strategic blueprint: The Mpumalanga Economic Growth and Development Path (MEGDP).

51. This framework is designed not only to place the provincial economy on a sustainable growth trajectory but also to ensure that economic growth leads to job creation, poverty reduction, and the minimization of inequality within our province.

52. The MEGDP has further identified the mining sector as a pivotal driver of economic expansion and employment opportunities.

53. As I outlined in my State of the Province Address last week Friday, the province is planning to host a well-organized Mpumalanga Mining Indaba.

54. This platform will allow us to explore strategies aimed at mitigating these risks while simultaneously leveraging opportunities to create jobs, drive economic

development, and ensure a fair and inclusive transition for all stakeholders.

55. Going forward and moving gradually more towards renewably energy in South Africa, it is crucial to protect the workers at the coal driven power stations and at coal mines in Mpumalanga in the process as far as possible.

56. Relevant projects at these power stations and re-skilling programmes, should play a vital role in this regard. Nobody must be left behind with Just Energy Transition.

57. With this in mind, I look forward to engaging with you in meaningful discussions today, as we chart a path towards a more sustainable, prosperous, and inclusive economic growth for the future of Mpumalanga.

I thank you.