



Chamber of Mines of South Africa
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MEDIA STATEMENT

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THE CHAMBER OF MINES SEEKS A SOLUTION TO THE ELECTRICITY CRISIS

The President of the Chamber of Mines, Mr Mike Teke has expressed his concern about the uncertainty of electricity supply to the country and further noted that this will further harm economic growth that is so desperately needed.

The Chamber of Mines is concerned that the announcement of stage three of demand reduction by ESKOM and the resultant rolling load shedding will have a negative impact on the mining sector and consequently the whole economy.

"Although the mining sector contributes only about 7% to the GDP, its non-production has a direct impact on upstream and downstream industries related to the mining sector that contribute a further 10% to the GDP. Production stoppages that are caused by continuous cuts to electricity supply will hurt the industry and the economy as whole', said Teke.

Industry is concerned about the uncertainty of electricity supply into the week and the announcement that further load shedding is planned for the weekend.

"This is the time when all industries need to join forces with ESKOM to address the electricity supply challenges that the country is facing. The mining industry is willing to engage with ESKOM to find solutions that will help improve electricity supply. I am concerned that in the mining sector the cost of resuming production is much higher than just cutting electricity supply to a mine," he said.

The mining industry has already reduced its electricity demand by 10% to assist ESKOM to improve its desperate need to improve the electricity reserve situation and avoid a complete black out. A request to further reduce electricity demand will have a negative impact on the performance of the mining sector as a whole.

The leadership of the sector invites the Senior Executives of ESKOM to engage with it in order to find medium to long term solutions to the electricity supply situation.

Issued by

The Chamber of Mines South Africa

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