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## **MIASA CALLS FOR POLICY CONSISTENCY BY GOVERNMENTS TO HELP THE SADC MINING INDUSTRY SURVIVE THE DOWNTURN AS AN INVESTMENT DESTINATION FOR MINING**

The Mining Industry Association of Southern Africa (MIASA), an association of Chambers of mines in the SADC Region, represents Chambers of mines from Botswana, the DRC, Madagascar, Namibia, South Africa, Tanzania, Zambia and Zimbabwe. MIASA attended and participated in the Ministerial Symposium held on 7 February 2016 at the Mining indaba in Cape Town.

The symposium with African Ministers on promoting Africa as a preferred investment destination for mining takes place at a time when the mining industry in the whole of the SADC region and Africa at large is experiencing headwinds of significant proportions that require governments and the private sector to be pulling in the same direction to weather the storm and mitigate the negative impacts of the current downturn. Without such cooperation between governments and the private sector, the industry will slide further into decline to the detriment of socio-economic growth in the region with massive job losses which are a threat to social stability.

MIASA notes with concern, the large scale retrenchments in the region as a consequence of depressed commodity prices on international markets. In the SADC region alone, the mining industry has lost approximately 70,000 jobs across all commodities and considering a multiplier effect of 7, this translates to total jobs lost amounting to 490,000. This means up to 5 million people have been deprived of their daily subsistence considering that each employee supports between seven to ten dependants. To make matters worse, a further 50 000 employees face the risk of losing their jobs if something drastic is not done urgently.

In order to turn the situation for the better and ensure that Africa and in particular the SADC region is attractive for mining investment, governments need to maintain consistency in policy, to only introduce policies that are well researched and above all, in consultations with the private sector. MIASA calls for governments to cooperate and share experiences of what works and what doesn't. There is no need to re-invent the wheel. Four jurisdictions in the SADC region are currently reviewing mining legislation. Any legislation change makes investors nervous for as long as there is no finality and consultation on that legislation. MIASA notes that the mining industry has had no significant investment in recent years with no major exploration projects for mining. Ministers of mining need to assist the mining industry by reducing the level of bureaucracy and creating an environment that will make it easy for new and emerging miners to enter the industry. Governments can also create certainty by avoiding changing policy at short intervals. External investors also need certainty on security of tenure to ensure long term investment in mining industry. The industry is always ready to engage with governments in the SADC region to come with solutions that will help the industry to survive the downturn and position itself to reap mutual benefits in the next super-cycle.