**MEDIA STATEMENT**

**MINERAL RESOURCES AND ENERGY COMMITTEE TO HOLD PUBLIC CONSULTATIONS ON IMPLICATIONS OF HIGH COURT JUDGEMENT ON MINING CHARTER**

**Parliament, Tuesday, 23 November 2021** – The Portfolio Committee on Mineral Resources and Energy has resolved to consult with the affected stakeholders on the Gauteng North High Court judgement, which reviewed and set aside some clauses of the mining charter.

The committee is of the view that the judgement affects many stakeholders, particularly historically disadvantaged individuals who stood to benefit from the Mining Charter's transformation agenda. Mine workers and mining communities are directly affected by the judgement.

"In the final analysis, we need to find time in the first quarter of 2022/23 financial year to consult with the affected stakeholders in order to pave a way forward," said Mr Sahlulele Luzipo, the committee Chairperson.

The committee was briefed by the Department of Mineral Resources and Energy about the implications of the judgement. One such implication is that mining rights holders are not legally obliged to achieve targets on inclusive procurement and supplier and enterprise development. This is because the whole of clause 2.2 of the Mining Charter dealing with this element has been reviewed and set aside.

The committee firmly believes that the department should have appealed the judgement. It is also resolved to seek the opinion of the Parliament Legal Service on grounds to compel the department to launch an appeal, in order to avoid a pattern of similar judgements in the future.

Mr Luzipo is concerned about the manner in which the judgement could potentially bring challenges to the existing harmony between the mining sector and the regulator. "The judgement may create an environment where the regulator resorts to legislating every aspect of the sector, which could have far-reaching implications for mining companies."

The committee welcomed the department's undertaking to continue to implement the Mining Charter in line with the judgement. The department also undertook to continue engagements with the mining and minerals industry to encourage the achievement of transformation imperatives.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON MINERAL RESOURCES AND ENERGY, MR SAHLULELE LUZIPO.**

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