**MEDIA STATEMENT**

**MINERAL RESOURCES COMMITTEE AGREES ON APPROACH TO GLENCORE AND ALLEGED MISUSE OF MINING REHABILITATION FUNDS**

**Parliament, Wednesday, 24 August 2022 –** The Portfolio Committee on Mineral Resources and Energy met yesterday to deliberate on its approach to the Glencore bribery case and allegations of misuse of mining rehabilitation funds. After briefings from Parliamentary Legal Services and the committee’s content advisor, the committee agreed on processes relating to legal proceedings against Glencore.

The committee was also briefed on a 2018 Department of Mineral Resources and Energy investigation into allegations of corruption relating to licencing and general management in the department’s Limpopo, Mpumalanga and Free Sate regional offices. The committee also dealt with correspondence from Mining Affected Communities United in Action (MACUA) and Women Affected by Mining United in Action (WAMUA), among others.

On the Glencore matter, the committee heard that Glencore pleaded guilty in the United States to charges of bribery and market manipulation. However, while Glencore has operations in South Africa and the guilty plea signals a warning, the network of corruption in which Glencore operates does not find expression in this country.

The committee also heard that allegations relating to the misuse of mining rehabilitation funds started in 2015/16 during the sale of the Optimum Coal Mine. At the time, concerns were raised in the media and in Parliament through questions to the Minister and to departmental officials during committee engagements.

At that time, the department reported to the committee that everything was under control and there was nothing untoward about the administration of funds. However, it later emerged that this information, as reported to Parliament, was incorrect. The department’s former Deputy Director-General (DDG) and others were arrested on 25 and 26 May 2022 to face charges relating to the misuse of the funds.

In yesterday’s meeting, the committee was advised that it could schedule a meeting with the Minister and call on him to undertake a review of the mining licences and contracts awarded by the department to Glencore in South Africa. The committee also heard that it is at liberty to recommend to the Minister that such a review should include a forensic investigation undertaken by an independent body.

The committee was further advised that it is not in any way restricted if it wishes to undertake a review of departmental governance in relation to the alleged misappropriation of mining rehabilitation funds by the former DDG and any other official, even if this overlaps with issues before the court. The committee therefore resolved to call the department to appear before Parliament to account on the matter.

The committee will also ask the department to brief it on the outcome of the investigation into allegations of corruption and mismanagement of licencing in the Mpumalanga, Limpopo, and Free regional offices. The committee also wants the briefing to include the recommendations arising from the investigations and their implementation.

The committee also resolved that MACUA and WAMUA should brief it on 30 August 2022 on their 2022 Social Labour Plan (SLP) Audit Report, their views on the High Court ruling on the Mining Charter and on illegal mining.

The committee resolved to conduct a broader oversight visit to all the areas where illegal mining is rife in South Africa.

**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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