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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**PARLIAMENTARY QUESTION: 1997**

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**Dr M J Cardo (DA) to ask the Minister of Economic Development:**

Whether, with reference to the International Trade Administration Commission of South Africa’s steel sector tariff increase on certain steel products and the increased prices of importing coking coal, his department has developed a detailed plan to ensure that the country leverages its large coking coal deposits, particularly in Limpopo, to become a leading manufacturer and exporter of coking coal; if not, (a) why not and (b) when will such a plan be developed; if so, what are the relevant details? NW2308E

**REPLY**

South Africa’s main coking coal resources occur in the Greater Soutpansberg Coalfield with a total Coal Resource of approximately 8.7 billion tonnes. Of this resource, only 2.4 billion tonnes are mineable and of this mineable resource 400 million tonnes (20%) is hard coking coal. The challenge is the relatively low yield of the hard coking coal.

Blast Furnace technology uses coke to produce steel, mainly used by AMSA locally and to a limited extent by other smaller steel producers. There is a new coking coal project being developed in Makhado in Limpopo. Other significant reserves of coking coal is in the Moatize Basin (Tete, Mozambique). Southern Africa has limited metallurgical coking coal available. All the local options are characterised by high Sulphur content that, I am advised, affects the “hot strength” of the coke in the blast furnace.

In light of the above, the Department has not, to date, developed a detailed plan on leveraging existing coking coal deposits.

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