

Statement by Mr. Veston Malango, MIASA President,  
at the Media Conference  
on the launch of the MIASA Report on  
**State Participation in Mining**

The BMW Pavilion Conference Centre  
Cape Town  
9 February 2012

Distinguished Members of the Media,  
Captains of industry represented,  
Government Officials present,  
Members of MIASA,  
Ladies and Gentlemen,  
All protocol observed

I warmly welcome you all to this Media Conference this morning to launch the report on *State Participation in Mining*. On behalf of MIASA, I wish to thank you for accepting our invitation and taking some time out of your busy schedules to come to this event.

Allow me to say a few words of introduction to MIASA. MIASA is an abbreviation for the Mining Industry Association of Southern Africa. In other words, an Association of the Chambers of Mines in the SADC region with a purpose of protecting and promoting the interests of the mining industries in the SADC region. MIASA is comprised of 7 members, namely:

- 1) The Chamber of Mines of Botswana, represented by Mr. Charles Siwawa, CEO.
- 2) The Chamber of Mines of the Democratic Republic of Congo, represented by Mr. Simon Tuma -Waku, CEO.

- 3) The Chamber of Mines of Namibia, represented by myself. We are privileged to have in attendance Mr. Mark Dawe, President of the Chamber of Mines of Namibia.
- 4) The Chamber of Mines of South Africa, represented by Mr. Bheki Sibiyi, Chief Executive.
- 5) The Tanzania Chamber of Mines and Energy, represented by Mr. Emmanuel Jengo, CEO.
- 6) The Chamber of Mines of Zambia, represented by Mr. Fred Bantubonse, General Manager.
- 7) The Chamber of Mines of Zimbabwe, represented by Mr. John Chikombero, CEO.

As you are all aware, the mining industry is the backbone of the economies of several SADC countries. And mining is a capital intensive business that involves high risks especially during exploration, but prices obtained at international markets are beyond our influence. Hence mining is characterized by booms and bursts with its cyclical nature of commodity prices. In boom times, we have noticed that our governments have been calling for more benefits from the exploitation of mineral resources. This is a natural call as mineral resources belong to the peoples of the respective SADC countries and also very much in line with the respective National Constitutions. MIASA fully appreciates this position. The question however, is what would be the best means or policies to archive maximum benefits from the mining industry, to grow the economies, create jobs, eradicate poverty, and improve the lives of millions while stimulating the private sector as the engine of growth.

It is these issues that have prompted governments to seek various forms of greater participation in mining beyond revised taxes and royalties. We

have seen the creation of state owned mining companies in recent years in several SADC countries and the introduction or consideration of policies aimed at increasing state participation in mining. In the case of South Africa, this quest has resulted in calls for nationalisation of mines, a debate that has attracted attention beyond South Africa and prompted MIASA to initiate a desktop research in order to form a MIASA position. The research was undertaken by Professor Gavin Keeton whom I shall be introducing shortly and was financed entirely by MIASA. The final report was approved at the last MIASA meeting in Lubumbashi, DRC, on September 28, 2011. This report is the subject matter of this Media Conference. We felt it necessary that we launch the report in this manner, so that you hear it from the horse's mouth, as the saying goes. Due to logistical challenges, we were unable to make hard copies or CDs for distribution today, as per plan. However, the Report is available on the MIASA website ([www.miasa.org.za](http://www.miasa.org.za)).

Without getting into the danger of preempting the presentation of the Author, allow me to mention that MIASA believes that nationalisation is an extreme form of government intervention in mining and that some of the MIASA members I have introduced earlier have direct experience with nationalisation in their respective countries. Thus the report is backed by personal hard experiences on this subject.

The Media is invited to disseminate this report to all stake holders for information and decision making.

I thank you.