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Mine rights moratorium to be lifted

February 8 2011 at 05:50pm

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The six-month moratorium on new prospecting applications would be lifted next month in all provinces but Mpumalanga, Mineral Resources Minister Susan Shabangu said on Tuesday.

The moratorium was imposed at the beginning of September last year to allow her department to conduct a full audit of all mining and prospecting licences granted since 2004.

"We are not going to lift Mpumalanga," she told a media briefing at an African mining conference in Cape Town.

"We've got challenges bigger than what we expected, so we will lift eight provinces, and Mpumalanga will continue... for two to three months before we lift the moratorium."

The biggest challenge in Mpumalanga was environmental matters, "issues of ecology".

"You find sensitive areas where rights have been granted," she said.

"We intend to address that matter, hence we are not going to lift the moratorium, so as to make sure that we respond to the challenges of nature.

"Unfortunately rights were granted, but we'll have to address those issues."

She said her department was working closely with the department of environmental affairs.

"The minister of environment 1/8 and 1/3, we are big buddies, so there's no way we can fight," she said.

The departments were discussing the possibility of an integrated licensing system, in which both departments, and water affairs, worked together.

The imposition of the moratorium followed growing concern over allocations under the Mineral and Petroleum Resources Development Act (MPRDA).

Shabangu said the department discovered during the audit that a number of applications had been granted even though the companies concerned were not fully compliant.

They were mining without environmental plans, or on the basis of incomplete applications.

A number had been served with notices that they would have to shut down.

She said that where the department had discovered gross negligence on the part of its officials in granting licences, it had taken disciplinary action.

It had suspended some employees who might have been involved in tampering with information as the audit was being conducted.

At the time the moratorium was imposed, there was a backlog of 26,000 applications.

The backlog had been reduced, but she would not say by how much.

Mineral resources director general Sandile Nqoxina said the moratorium imposed on September 1 would expire on March 1.

However the minister would decide on the actual date for lifting it, which would be "thereabouts".

Earlier, addressing the conference, Shabangu told delegates that of the 26,000 applications, cases of double granting or rights discovered to date amounted to 122.

She said the audit revealed that despite a huge number of prospecting rights issued since the promulgation of the MPRDA, there had not been a "reciprocal exploration activity" in the country.

"It appears that there is another wave of rights hoarding which may compel me to consider the "use-it or lose-it" provision imbedded in legislation," she said.

To this end, over 800 notices in terms of the MPRDA's sections 47 - which allows her to give notice of suspension of rights - and 93 orders for suspension of operations had been issued. - Sapa



Susan Shabangu will head a brand-new department, within the presidency, dedicated to women. Photo: Leon Nicholas.

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