

Presentation
to
**Mining Industry
Association**
of
Southern Africa

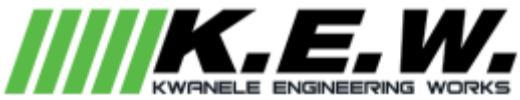


Intended Outcomes of meeting

- ❖ *Discuss progress as cluster*
 - *how and why it was formed*
 - *Link to Mining Charter*
 - *Vision and objectives of MEMSA*
- ❖ *Successes & challenges thus far*
- ❖ *Benefits to the manufacturers and the mining industry*
- ❖ *How Minerals Council (s) and MEMSA (s) can work together*



35 Member Companies & growing ...





MEMSA Timeline .. a profound Journey

dti Resource
Capital Goods
Development Plan
report

Mining Phakisa

Company visits
&
consultations

Proto-
MEMSA

Mandela Mining Precinct

Cluster
Formation

MEMSA

NPC

CDP

dti CDP Funding
Yr Period
2

MC3
Implement Programs

2014

2015

2016

2017

2018

2019

2020



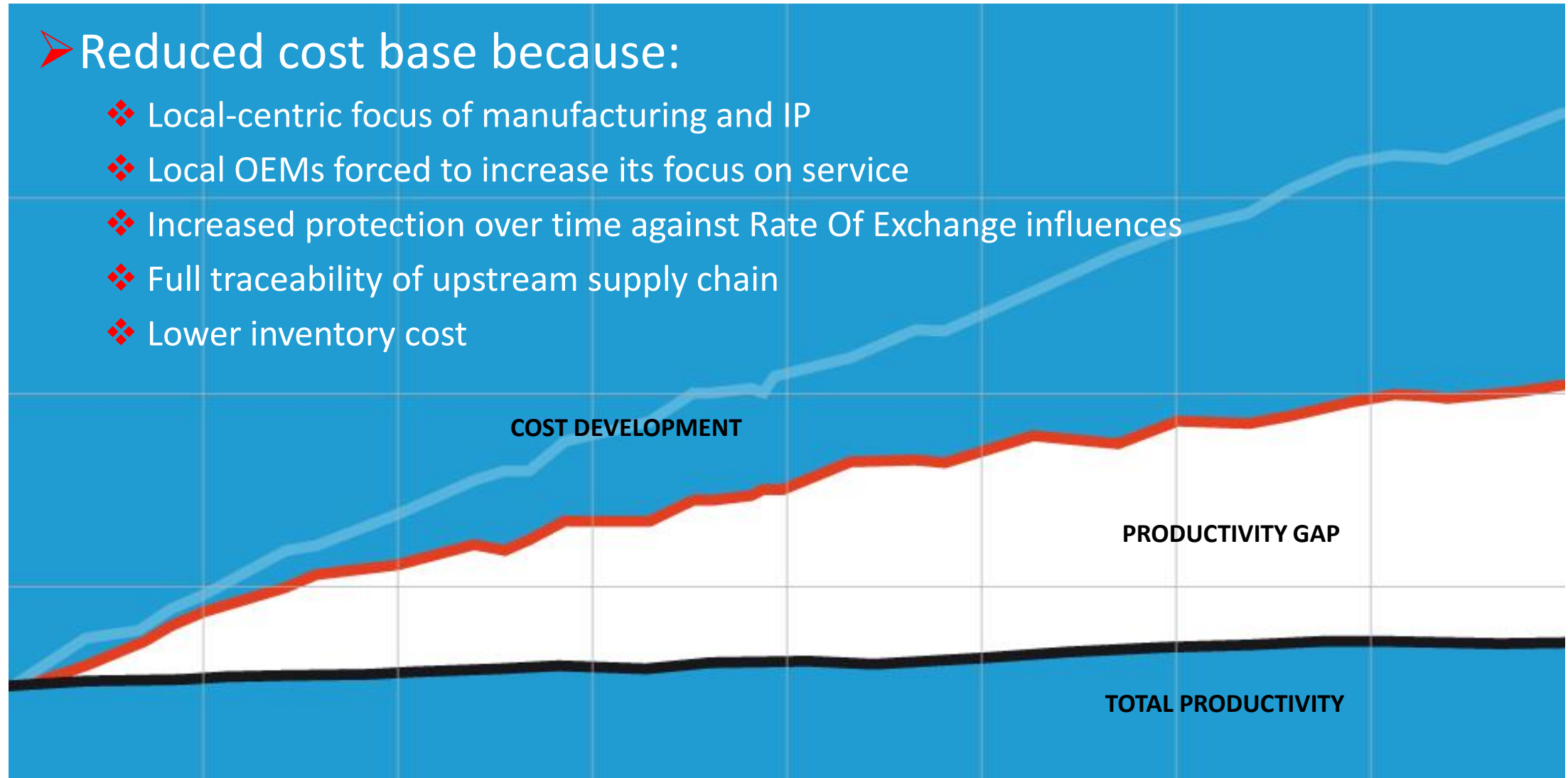
Mining Charter Opportunities

- Overarching intent – develop and rejuvenate local manufacturing industry
- Procurement requirements
 - Massive opportunity to:
 - develop local economy and local IP (sustainability)
 - develop protection against cost effects of fluctuating Rate Of Exchange
- Coding and verification
 - Massive opportunity to:
 - Decrease opex by tighter cost control and lower inventory
 - Tighter control on OHS requirements
 - Full traceability of upstream supply chain
 - Influencing the SADC supply chain for export opportunities

Mining Charter and its applied intent

➤ Reduced cost base because:

- ❖ Local-centric focus of manufacturing and IP
- ❖ Local OEMs forced to increase its focus on service
- ❖ Increased protection over time against Rate Of Exchange influences
- ❖ Full traceability of upstream supply chain
- ❖ Lower inventory cost



Vision

*.. to position Southern African Mining Capital Goods,
Components & Product manufacturers ..*

*.. as a cost competitive, innovative &
transformative Industrial Cluster ..*

*.. which is the preferred Supplier to
local, regional and global markets*

Objectives (and opportunities)

- Promote interests of Members & Sector, through advocacy & building strategic partnerships,
- Develop domestic, regional and other export markets for Members,
- Realization of regional SADC mining capital goods market,
- Targeted skills and knowledge development,
- Supporting local technology development, acquisition & IP protection,
- Provide framework for R&D collaboration,
- Transform in line with applicable Codes of Good Practice,
- Promote Members' awareness and participation in existing industrial support programs and advocating for targeted mining machinery and equipment manufacturing support programs and/or schemes



How ? Strategic Partnerships



SA CAPITAL EQUIPMENT
EXPORT COUNCIL



MINERALS COUNCIL
SOUTH AFRICA



- Advocacy
- Trade Agreements



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA



science
& technology

Department:
Science and Technology
REPUBLIC OF SOUTH AFRICA

- Research & development



MANDELA MINING PRECINCT
MINDS FOR MINES

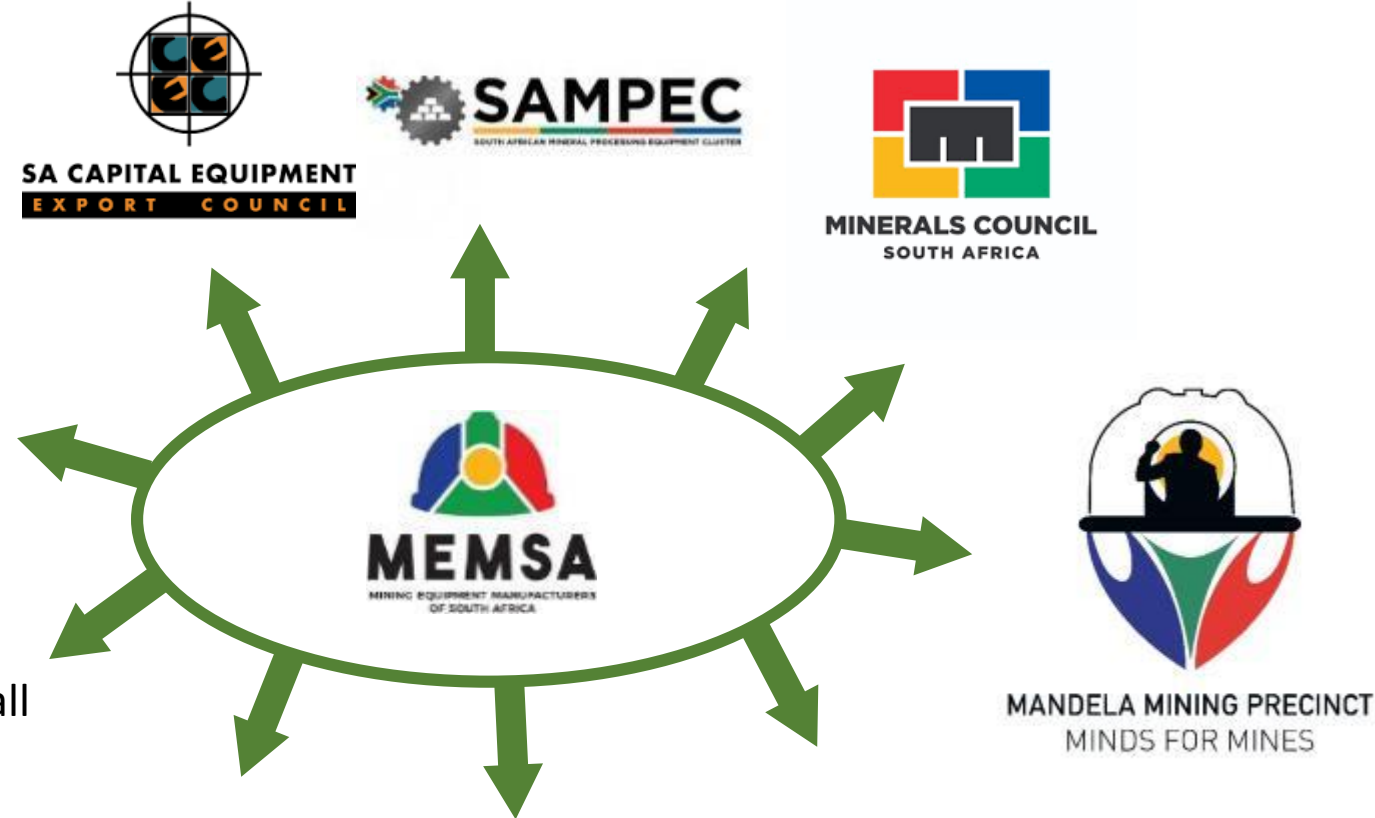
- Offices & facilities
- Networking
- SAMERDI



- Coalition of the willing
- Mine mechanization
- Sustainable mining industry

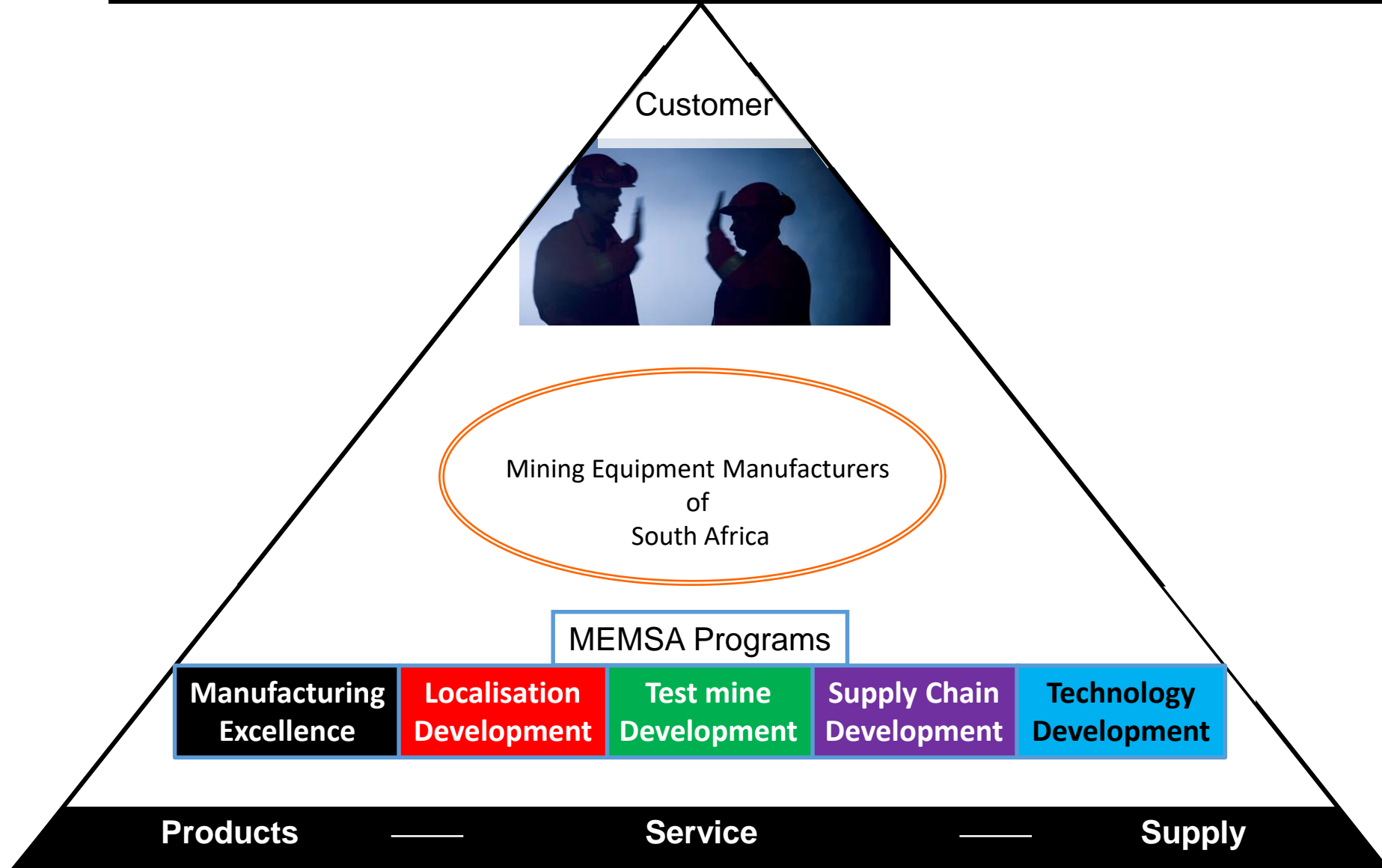
How ? Improved Knowledge Base

- Gap analyses
 - Current supply chain capabilities (local and international)
 - Current demands of the mines
 - Future demands of the mines
- MMP Programs
 - Technology Availability Readiness Atlas (TARA)
 - Resource atlas mapping all available deposits
 - Advanced Orebody Knowledge (AOK)
 - Real Time Information Management Systems (RTIMS)
 - R&D Programs



- Offices & facilities
- Networking
- SAMERDI

MEMSA Programs





How can MIASA and MEMSA (s) work together?

- Recognize and embrace the required symbiotic relationship between the regulator, mines and local suppliers
- Insist and work on clear communication channels to drive out any ambiguity entrenched in the Mining Charter (s)
- All parties (regulators, mines and local suppliers) need to focus intently on making this work as there is a much bigger intent than a perceived big stick
- Assist mines and their procurement panels to investigate integration solutions to adopt coding and verification requirements
- Assist mines to change their procurement policies to adopt and favour those local companies that have the edge on others (assuming same fit, form, function)



35 Member Companies & growing ...

