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Key enablers of a successful mining industry: Lessons from South Africa

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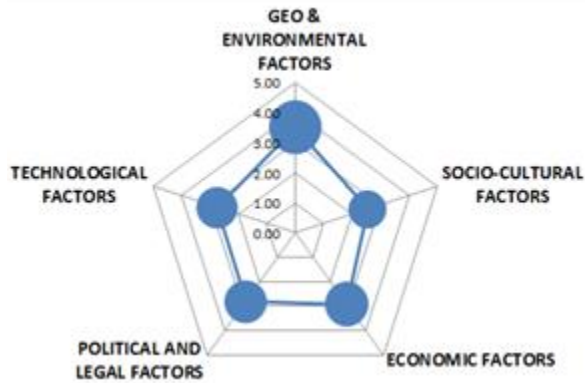
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A secure supply of raw materials is a priority of all industrialised countries that extends beyond country borders and national policies. The appropriate and sustainable supply of raw materials requires specific framework conditions that relate to mineral policies, raw materials knowledge, infrastructure and international cooperation. These conditions are not met in the same way across the globe, and in 2008 the European Union (EU) pioneered the development of a strategy on raw materials based on three pillars: (1) ensuring the fair and sustainable supply of raw materials from international markets, through the promotion of international cooperation with developed and developing countries; (2) fostering the sustainable supply of raw materials from European sources, and (3) reducing consumption of primary raw materials by increasing resource efficiency and promoting a circular economy.

In this context, the Horizon 2020 funded project INTRAW was initiated in 2015, with the objective of establishing the European Union's International Observatory for Raw Materials by 2018, an initiative in line with the first pillar of the EU strategy on raw materials. In its first year, INTRAW used an integrated bottom-up approach to benchmark the contextual environment of five reference countries (Australia, Canada, Japan, South Africa, and the United States), with regard to the evolution of their raw materials industry and raw materials supply policies.

This contribution will present findings from the research undertaken of South Africa in relation to geographical, historical, cultural, social, political, legal, technological and economic factors over a time horizon from the beginning of the 20th century onward. Economic and social-political inflection points and factors that explain why South Africa succeeded in building up mining clusters with a worldwide superior competitive position are signposted.



A multi-factor matrix was used to summarise the research findings and to represent the relative importance of each factor to the economic development of South Africa. The information and weighted scores assigned in the matrix have been summarised in the 5 axis “radar chart” in Figure 1. This chart shows the importance of natural and mineral resource endowment in the economic development of South Africa. In second place, the chart shows the importance of economic and political factors.

Figure 1: The 5 Axis Radar Chart for South Africa showing the ranking of the South African mining industry in terms of the key factors indicated.

