

Coal industry needs genuine empowerment

In order to change the landscape of the South African coal mining sector, empowerment cannot just be words but a meaningful action that brings about black excellence throughout organisations.



Dr Sakhile Ngcobo, director, Sibambene Coal

It is about time the model of black economic empowerment (BEE) changed to include new entrants. "Why should we see the same faces of empowerment over and over again? We have to change the approach to BEE. It can't be the same," says Dr Sakhile Ngcobo, director, Sibambene Coal.

It is no longer acceptable to empower just a few people, but instead hundreds of BEE partners needed to be empowered to ensure genuine empowerment and transformations and that all BEE initiatives should include women and youth empowerment initiatives.

He wants to see government acting on President Cyril Ramaphosa's undertaking to "use competition policy to open markets up to new black entrants, and invest in the development of businesses in townships and rural areas".

"We require far higher levels of transparency, and call on industry players to provide greater opportunities for emerging black industrialists like ourselves," says Ngcobo.

Local procurement needs to support the genuine development of entrepreneurs that owned equipment and were not reliant

on existing untransformed monopolies, which was fronting of the worst kind and significantly undermined government transformation drive.

Community involvement

"Social labour plans have to play a significant role in the lives of local communities, and should not be piecemeal in nature. We need to make communities fully fledged partners in all our endeavours to avoid the increasing hostility that we see from communities with violent protests at or near mining operations" he says.

Some of the protests around mines are the result of companies not involving communities in empowerment initiatives. "The costs of these protests that we see every day are immense."

He also emphasises that there needed to be strong, disciplined leadership by community leaders to ensure that opportunistic and mischievous elements did not undermine the greater interests of communities by causing unnecessary upheavals.

Moreover, black industrialist programmes needs to have long term visions that provided skills development and access to resources to create sustainable, successful black-empowered entities.

Sibambene Coal, a 51% black-empowered coal mining company, has created 12 companies that are owned mainly by black women and young people, including four community owned entities, with around 120 beneficiaries in total.

The black-owned shareholding in Sibambene comprises: 100% black-owned mining investment company Kalyana Resources (26% shareholding); 51% black women owned and 100% black owned industrialist group Mirospan Mining (10% shareholding); Khulisa Employee Trust for the benefit of Sibambene employees (5% shareholding); Siyakha Community Trust for the benefit of communities where Sibambene operates (5% shareholding), and Inkhanyeti Women's Group which represents 20 black South African women (5% shareholding).

The remaining 49% shares are held through a structure owned by global energy trader Mercuria and mining investment firm Menar, which are successfully developing coal mines in South Africa.

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