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B-BBEE explained - The Mining Charter - part 4

The finalised Mining Charter was released for implementation on 27 September 2018. The Department of Mineral Resources (DMR) released a summary document highlighting the most significant changes and/or additions to the Charter. Previous articles dated 08 October, 02 November and 03 December 2018 dealt with the Ownership and Mine Community Development, Employment Equity, Inclusive Procurement and Supplier and Enterprise Development elements.

For this article, we will focus on **Beneficiation, Housing and Living Conditions** and **Human Resource Development** (elements 5, 6 and 7).

Beneficiation

A **maximum offsetting of 5%** against the BEE Entrepreneur as follows:

- Existing mining right holder who has claimed the 11% points beneficiation offset prior to the commencement of Mining Charter 2018, to retain the offset for the duration of the right.
- The Department must approve the Beneficiation Equity Equivalent Plan as outlined in the Mining Charter implementation guidelines;
- A mining right holder must submit an annual progress report to the department in line with the approved beneficiation equity equivalent plan.

Housing and Living Conditions

Principles as set out in the Housing and Living Conditions Standards for the Mining and Minerals Industry developed in terms of section 100 of the MPRDA which include:

- Decent and affordable housing;
- Provision for home ownership;
- Provision for social, physical and economically integrated human settlements; and
- Secure tenure for mine employees in housing institutions
- Proper healthcare services
- Balanced nutrition

Human Resource Development

5% investment of the Leviable Amount on essential skills development such as science, technology, engineering, mathematics, artisans, internship, apprentices, bursaries, literacy, and numeracy skills for employees and non-employees, research and development of solutions in exploration, mining, processing, technology, beneficiation, environmental conservation and rehabilitation.

Contact BEE Ratings-SA at your earliest convenience for further detail and an appointment.