

Coal miners should take lead in being ethical suppliers

In the interest of transformation and transparency, coal producers should develop a code of ethics to regulate contractual arrangements that ensure commercial viability to both the supplier and purchaser of coal - not one at the expense of the other, resulting in public harm.



Mpumelelo Mkhabela, chairperson of Menar

"The coal sector has been under attack. Coal has earned a bad reputation in South Africa largely because it has become associated with load shedding. As an industry we need to assist Eskom by providing it with coal at fair prices in a reliable manner in the interest of the economy. This will also improve the sector's reputation," Mpumelelo Mkhabela, chairperson of Menar, said at the Joberg Indaba virtual conference.

Coal producers should consider conducting a socio-economic impact study to show the benefits of coal mining. "If we looked at the total contribution of coal producers in terms of social labour plans, local economic development plans, local procurement opportunities as well as employment, the economic significance of coal mining and would become very clear."

Clean coal technology

Mkhabela said a just transition to cleaner energy generation must include usage of cleaner coal technologies. "The government should consider a policy position that promotes research and development to develop those technologies to enable South Africa to benefit from its coal endowment in an environmentally sustainable way."

He stressed that coal producers should also do their part by helping Eskom to make sure that it's commercially viable and is able to purchase the latest clean technologies for its power stations. These technologies include carbon capture and storage systems. "If we don't support Eskom, we will be shooting ourselves on the foot," he said.

Although Eskom's Kusile power station is using wet flue gas desulphurisation technology to reduce emissions, some of the utility's power stations need to be upgraded. For this to happen, Mkhabela said, "Eskom needs to be commercially viable and coal producers should assist by supplying it at reasonable prices."

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