

TEAM APPROACH FAVOURED FOR CPRs

By Derick de Wit

The Land Bank is beginning to practice what Venmyn has been a long-time advocate of – a team approach to projects.

The parastatal, in the Sunday Times, recently noted that part of its turnaround strategy is a requirement that loans need to be vetted by various committees rather than approved by individual executives, who could lend sums of up to ZAR500m in the past. This new control mechanism, along with other turnaround measures at the Bank, has resulted in it showing a ZAR354m profit in its second annual report.

In the same way as the Land Bank reduces its risk by referring loan decisions to a committee, Venmyn advocates an approach that harnesses the combined experience of a team to reduce its risk.

The SAMREC code makes no recommendation on whether individuals or teams should be responsible for mineral resource and mineral reserve calculations, the execution of feasibility studies or valuations, and individuals working alone often sign off on Competent **Person's** Reports (CPRs).

However, without the team approach, there is none of the discussion that ensures that the most accurate conclusions are made about a company's mineral resources and reserves.

Thus, Venmyn prefers Competent **Persons'** Reports, indicating that several people have been involved in their compilation, over single-authored Competent **Person's** Reports.

For more information on CPRs and feasibility studies, please contact Derick de Wit.