



CHAMBER OF MINES
of South Africa

**EMD: MINE COMMUNITY DEVELOPMENT;
FAST CHANGING ENVIRONMENT**

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Problem Statement:

- The relationship between the mining companies, communities, Local Government, and other stakeholders is fragile and not improving. Although there are efforts at different levels to making this better, the levels of intolerance are growing and threatening socio economic stability.
- The causes of the worsening relationships ranges from the reality of the ever growing unemployment rate, high poverty levels and inequality. The introduction of the SLP's raised expectations that the mining industry can and will make a difference in the mine host communities
- The Mining Charter carries in it the principles designed to harmonize the relations between all the stakeholders but since its inception, the desired results have not been realized fully. There are many reasons why the situation is what it is. The issue of service delivery or lack of such by the local municipalities is also increasing the pressure on mining companies, rendering them to a level of becoming surrogate governments.

Drivers of Change-SLP Implementation

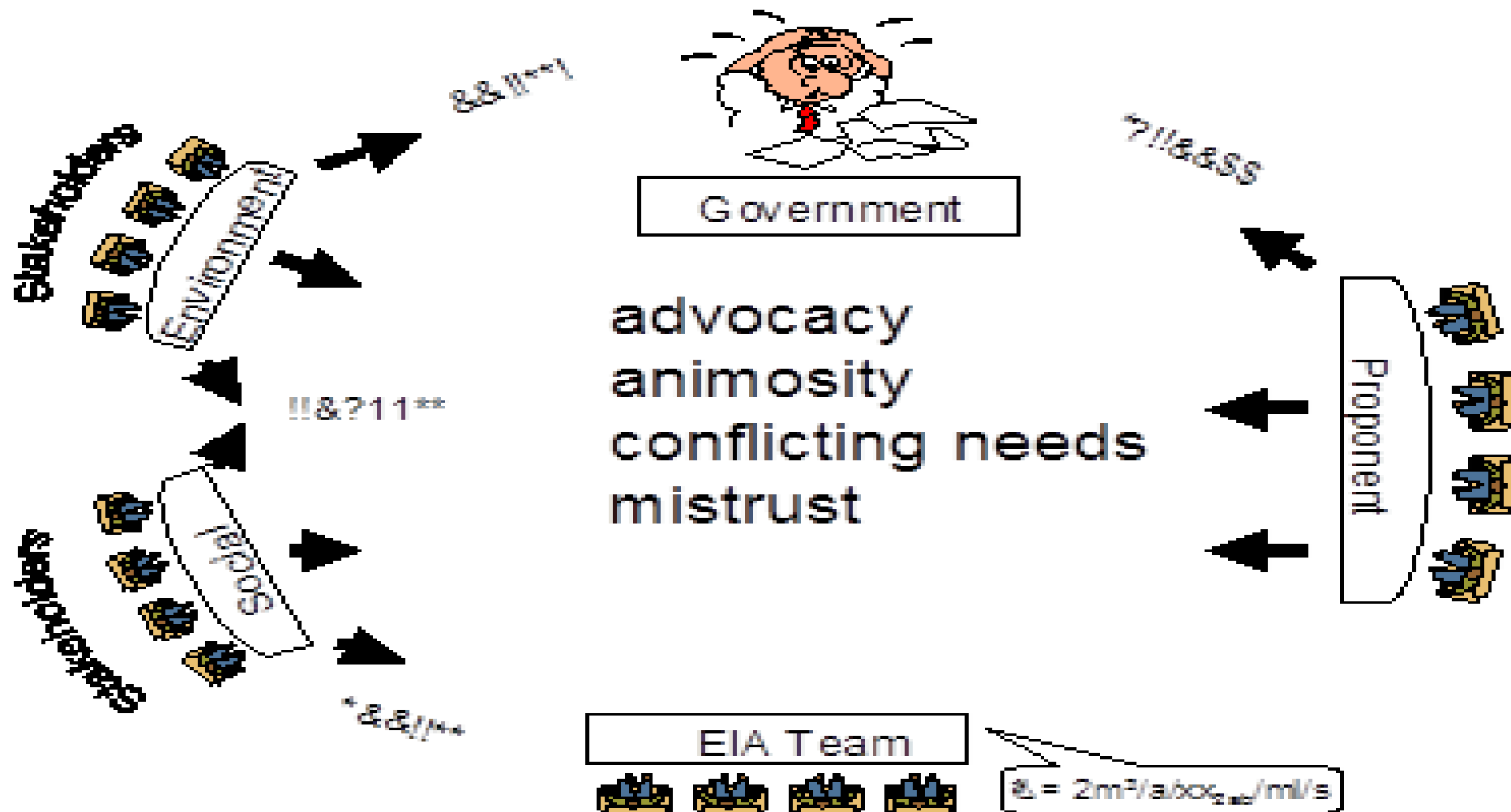
- Lack of service delivery-Mines becomes soft targets
 - Mines expected to compensate for government failures
- Increased community protest-Demands focused on
 - Access to employment
 - Access to procurement
 - Skills development and
 - General delivery of the SLP
- Socio Eco and Political Environment
 - Unemployment, Poverty and Ever increasing inequality:
 - Deteriorating levels of lack of leadership (National, Provincial and Local)
 - Lack of accountability and increasing levels of corruption
 - Calls for PRET-Demand or Collaboration?
- The Balance between People and Profit
 - IFC, IMF but more so NGO/CBO's Movement in the country-Pressure on Best Practice

Challenges in Management of SLP-

- Clarity on who owns the SLP?
- Roles and Responsibilities
 - Host Municipalities
 - Host Communities or
 - The Mine or
 - Who else?
- Lack of Alignment between Government Institutions
 - Comm accusing municipalities, DMR, and mines of not caring
 - Municipalities accusing mines and DMR
 - Mines accusing the above
- Defining participation levels on SLP's
 - Who must be involved in these discussions?
 - How do they get involved? and
 - Are the inputs representative of the community needs?

No alignment: No Common Goal

No common goal

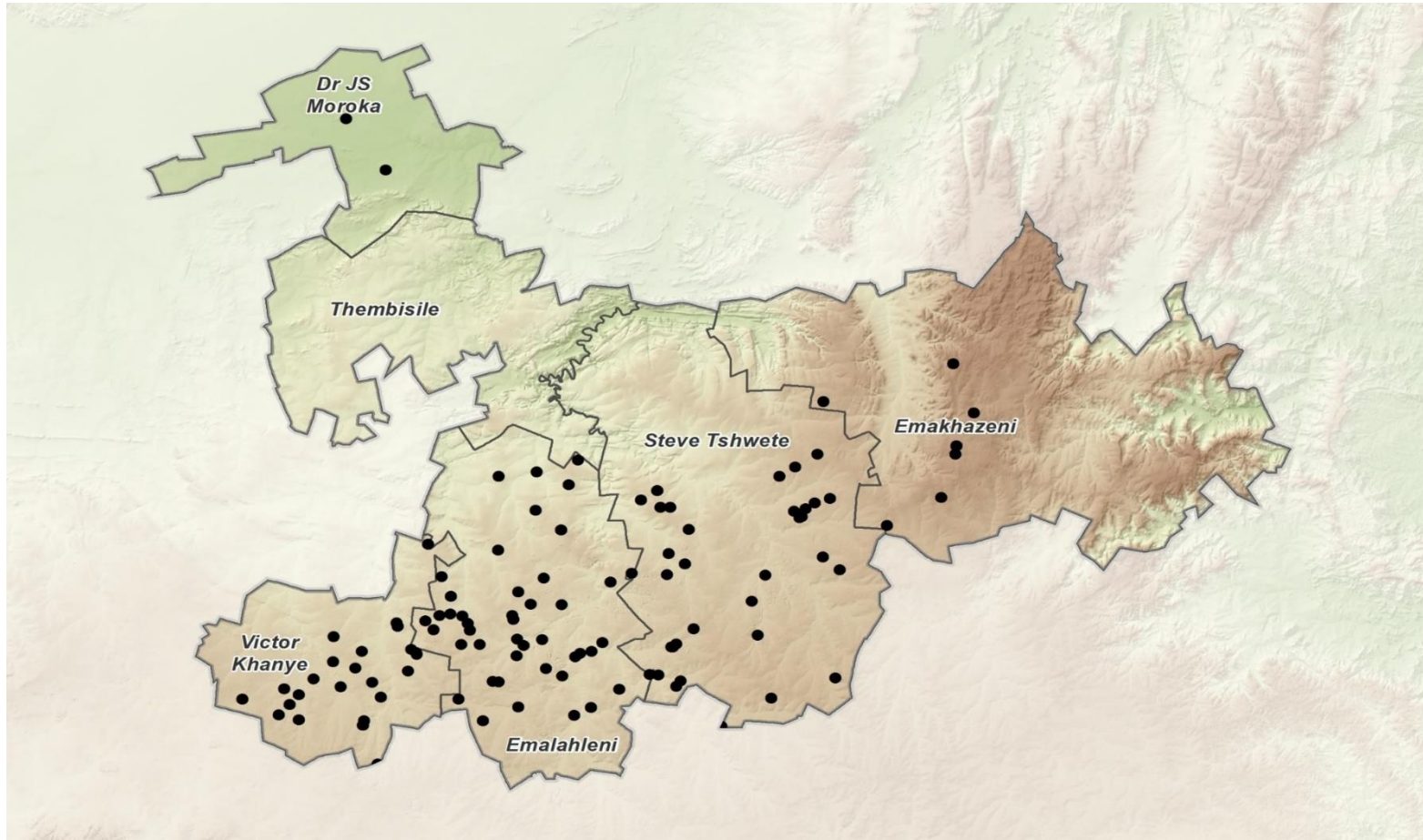


Mpumalanga Coal Sector SLP Collaboration Initiative



Progress – Initial Activities

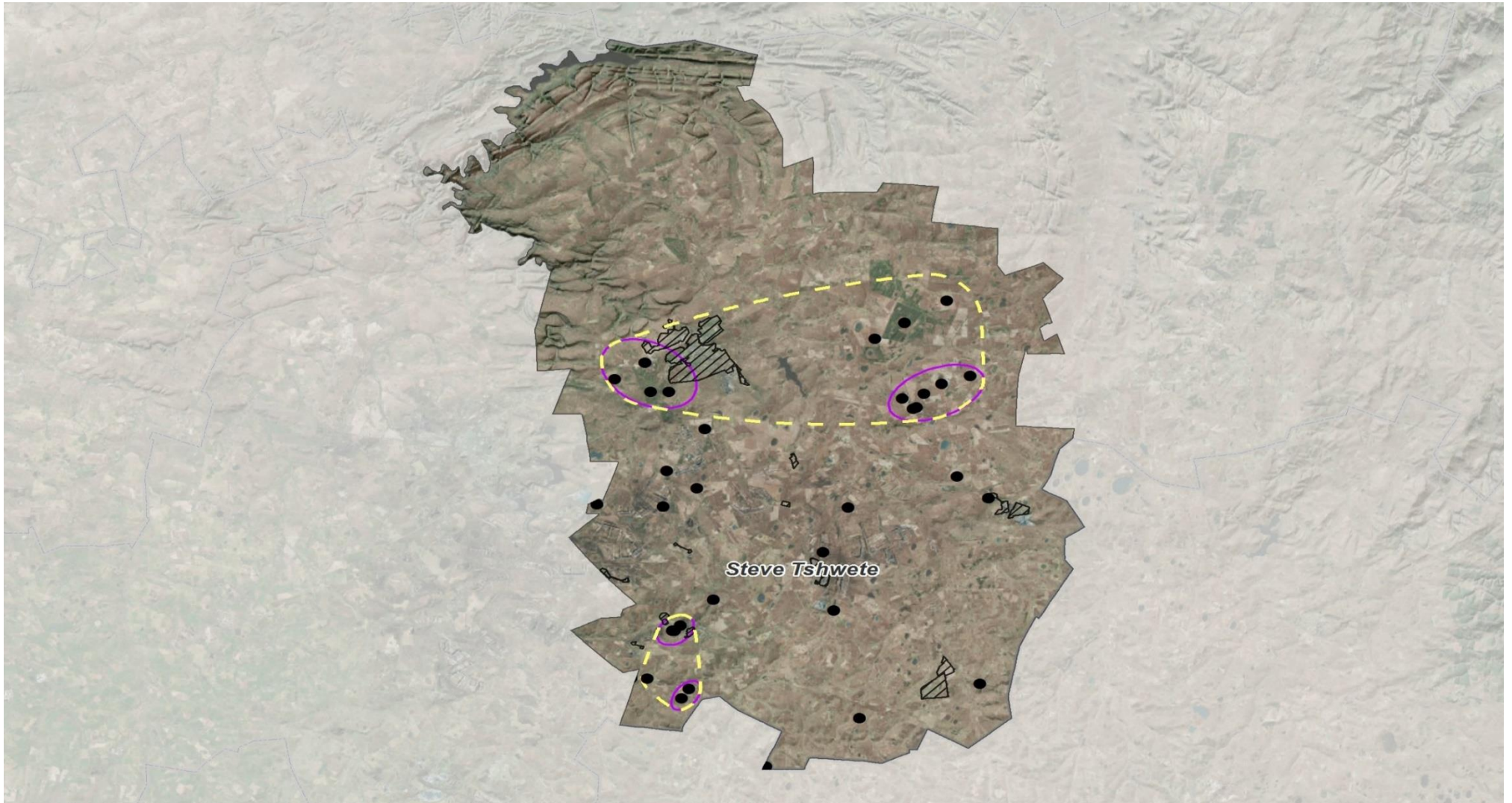
Mpumalanga Coal Mine Sector Intervention



Geographic Definition

- The Nkangala District Municipality has an estimated population of 1 450 000 (2011 census) and comprises of the following local municipalities:
 - Victor Khanye-Delmas
 - Emalahleni-Witbank
 - Steve Tshwete-Middleburg
 - Emakhazeni-Belfast
 - Thembisile Hani-Kwaggafontein and
 - Dr JS Moroka-Siyabuswa

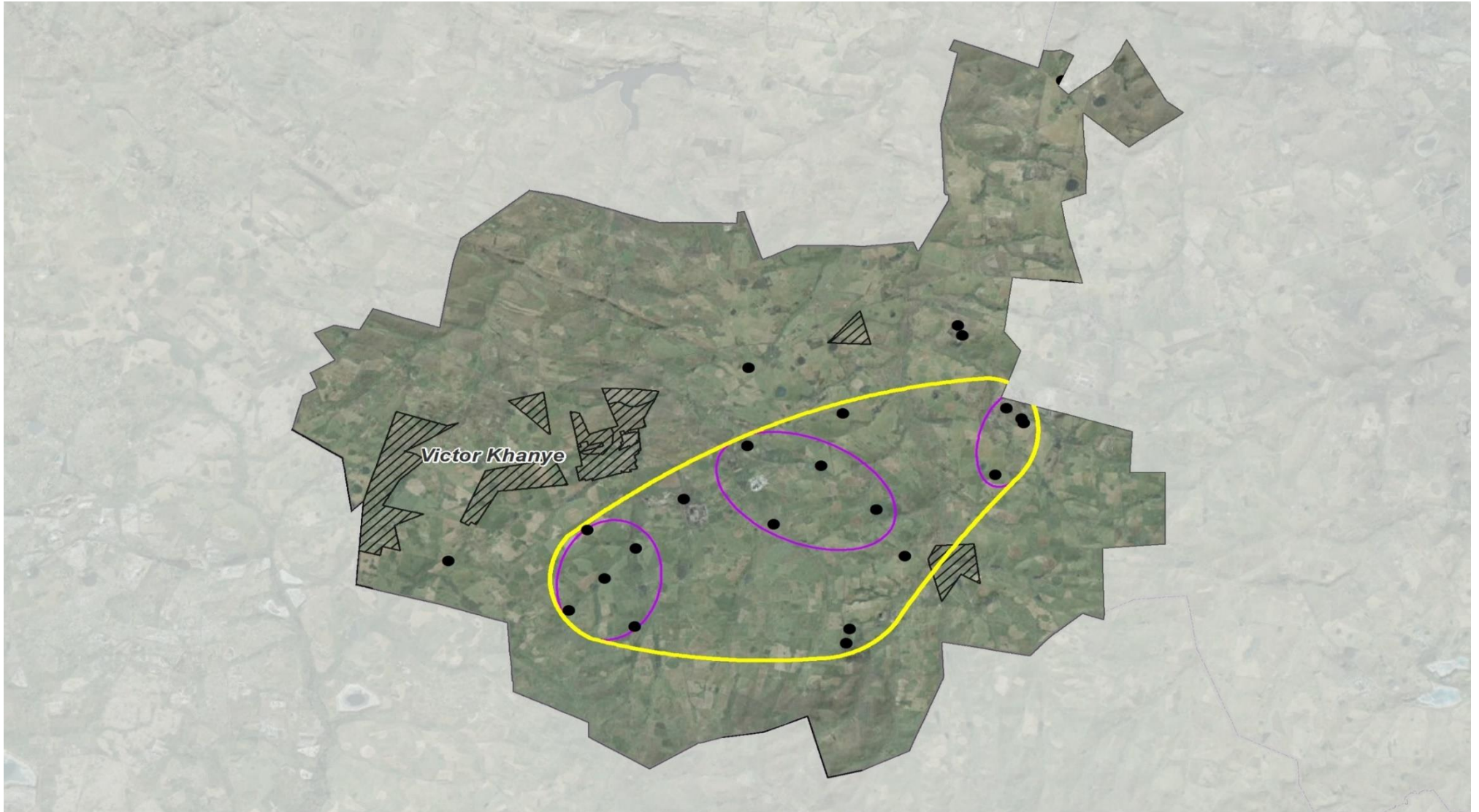
Proposed Mine Community Cluster- STLM



Proposed Mine Community Cluster- ELM

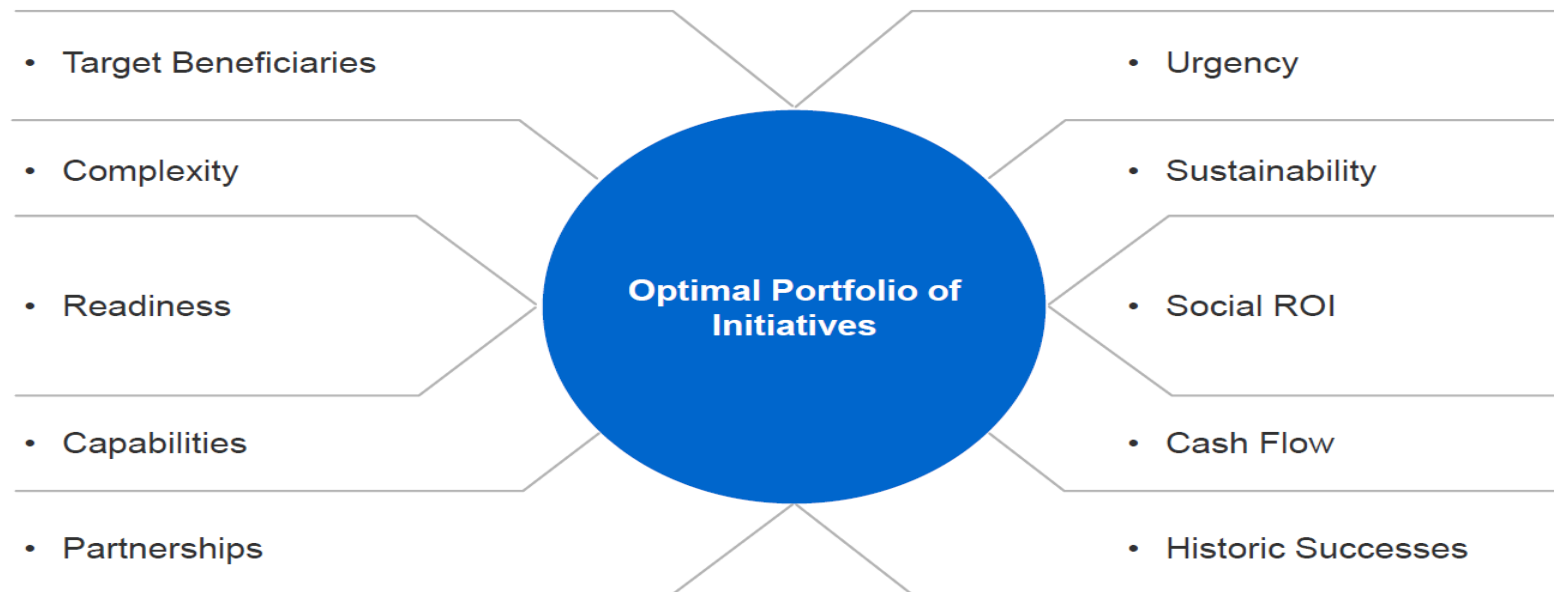


Proposed Mine Community Cluster- VKLM



Cluster Approach and Industry Collaboration

- Collective Impact opportunities
 - Economic development / jobs and work / location specific strategies to reduce unemployment
 - Incubators / enterprise development / value chains / skills development
 - Social services
 - Water (treatments plants) / sanitation / electricity (transformers) solar? / health / education & skills
 - Tourism / agriculture / broadband & ICT / environmental
- Recognise that collaboration must start small / not overly complex / learn how to collaborate / leverage off successes

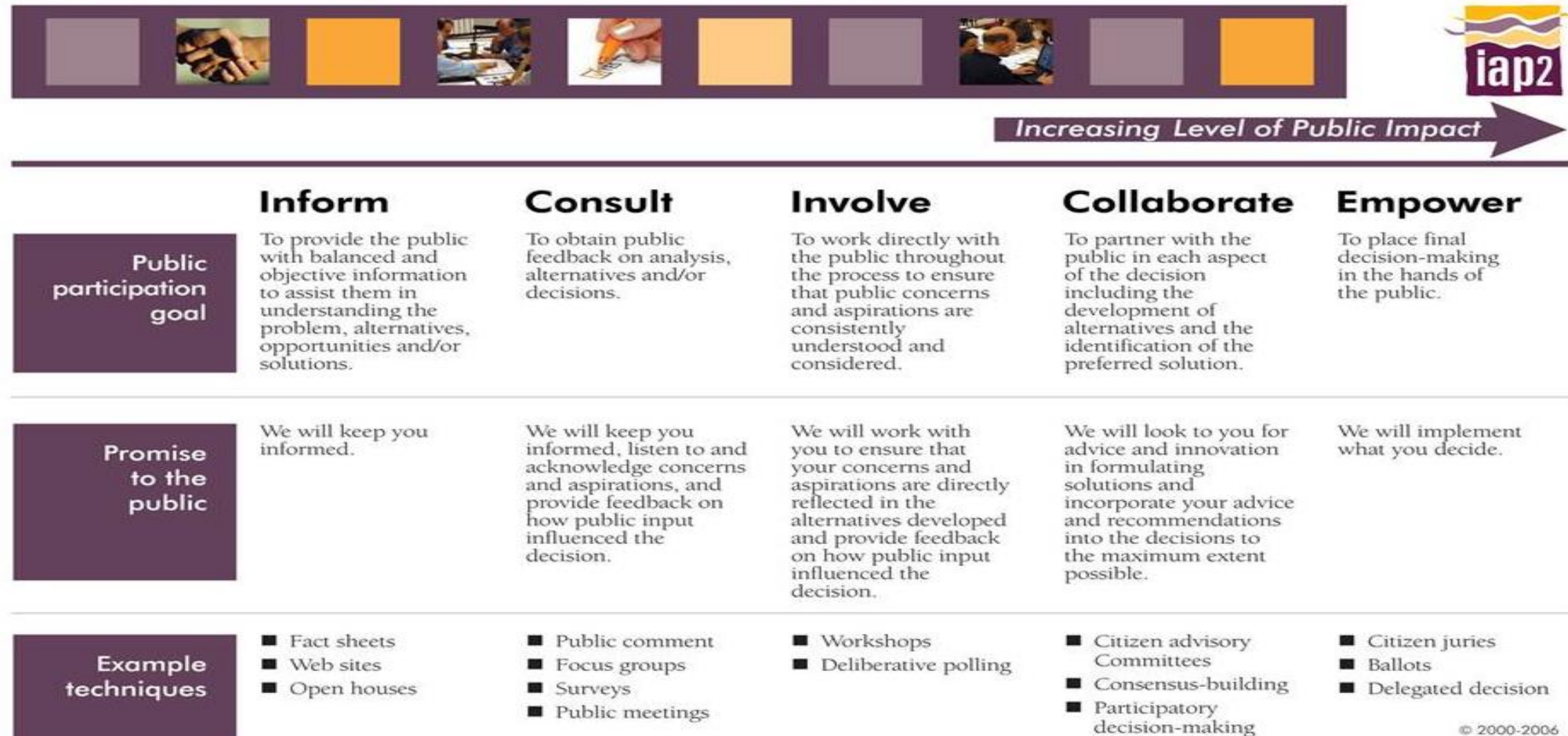


Proposed Approach/Solutions

- Voluntary Conviction to Mine Collaboration Efforts in SLP Implementation
 - By participating in community driven engagement processes
 - Help initiate and support mine/municipal community relations building initiatives:
 - Drug and Alcohol Abuse Programme
 - Crime and Sexual Abuse and
 - ***Promotion of Education and Technological Future Imperatives for economic growth***
- Take lead in Institutional alignment between:
 - Government Institutions, Communities and Mining Co
 - Help Municipalities to help themselves
 - Engage communities beyond the legal requirements
 - Use engagement to build collaborative relationships with both government and communities
- Offer Support to Clarify Roles and Responsibilities
 - Host Municipalities
 - Host Communities or
 - The Mine

Stakeholder Engagement:

IAP2's Public Participation Spectrum



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Common Goal-Sustainability



Institutional and Community Relations

- These Relationships are Core to Mining But not Core Business of Mining
 - Properly Undertaken they mean less headache and more Sanity
 - Good step towards Social License and must be guided by
 - Honest and transparent information dissemination
 - Respect for Human Life and Basic Human Rights
 - Commitment to Inclusive Meaningful Engagement. In economic participation or otherwise
- Development of meaningful Eco-systems (communities, municipalities etc.)
- Engage Communities Beyond the Legal Requirements especially on SLP
- Build Relationships Independent of Government Institutions
- Use the industry knowledge of Resource Management to:
 - Select appropriate investment themes for community development
 - Spatial development planning and
 - Development of meaningful and appropriate LED strategies to
 - Help develop sound and meaningful IDP's

Conclusion and Way-forward

- Communities are getting more intolerant and aggressive
- They are also getting more smarter and advanced in their fight against mining companies
- More of lawlessness is seemingly gaining popularity
- Lack of leadership leaves a perfect vacuum for exploitation by others
 - Properly Undertaken they mean less headache and more Sanity
- Need a collaborative approach to Mine Community Development
- Help set the transformation agenda in a pro-active manner
- Select SLP Investment Themes that responds to the Socio Eco dynamics of the host communities

Food For Thought

- *When two elephant are fighting it is the grass that suffers*
- *When spiders untie, they can tie down a lion.*
- *When brothers kill each other, a stranger will inherit their wealth*
- *It is crazy to think that we can change the world, But it is criminal not to try*
- *Community Development best succeeds at least when it is understood and undertaken through the eyes of those who need it, not the funder or the government*

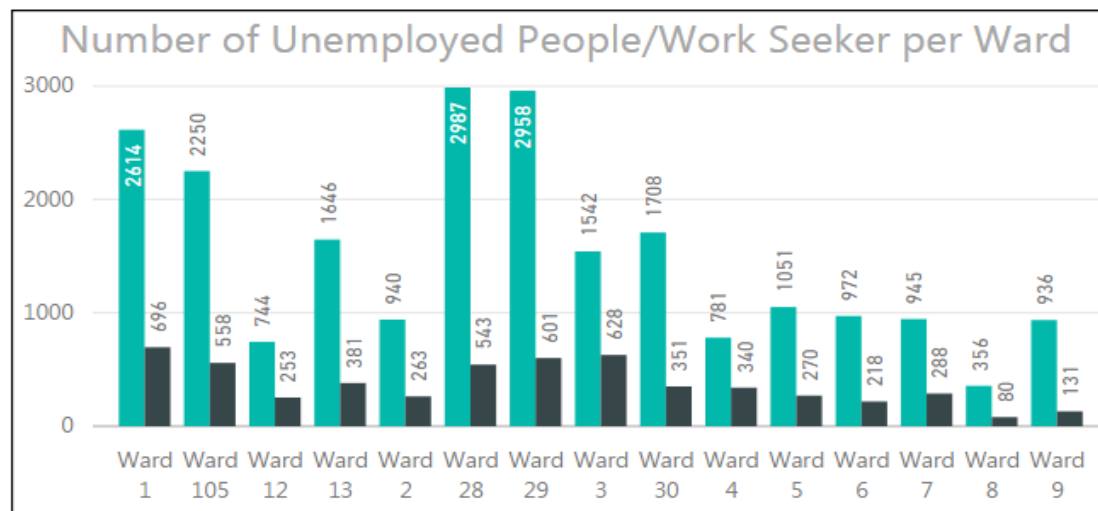
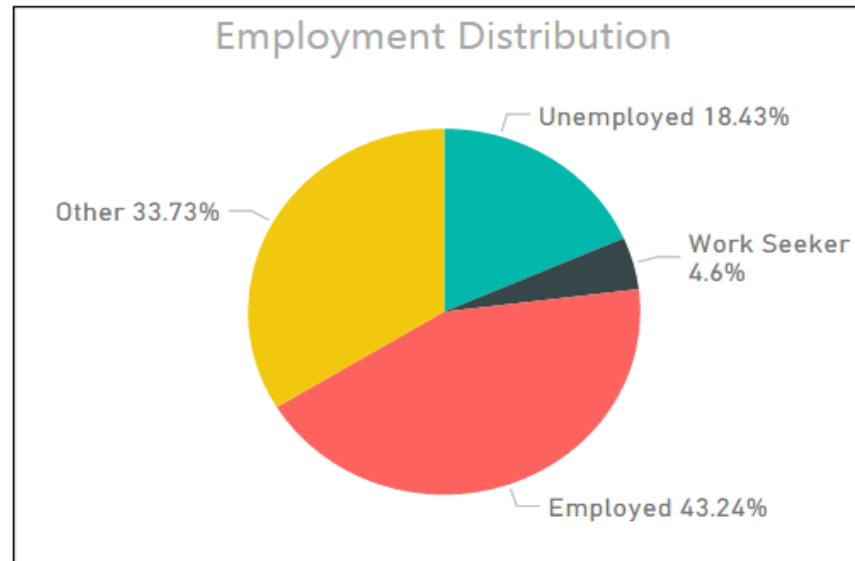


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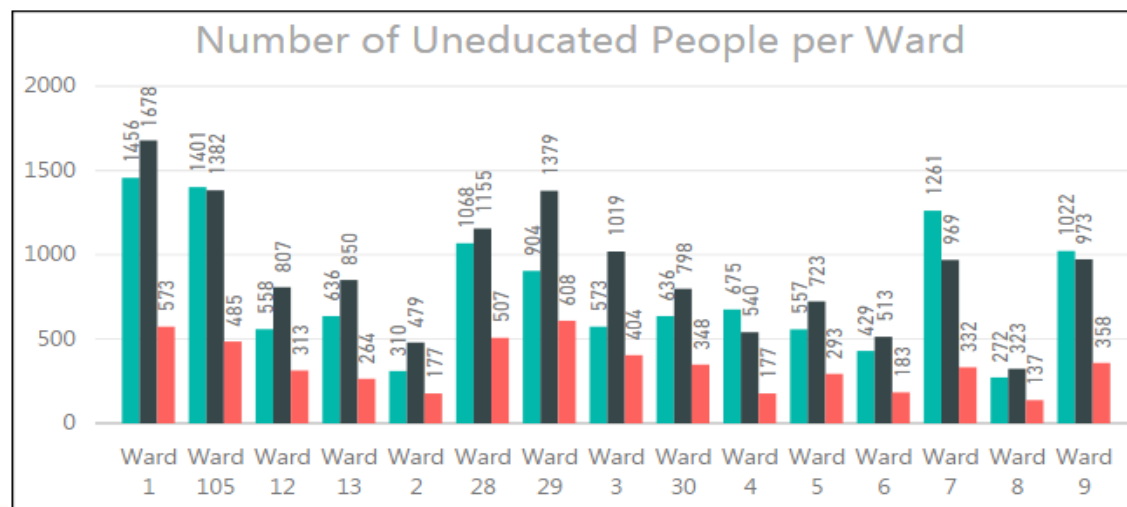
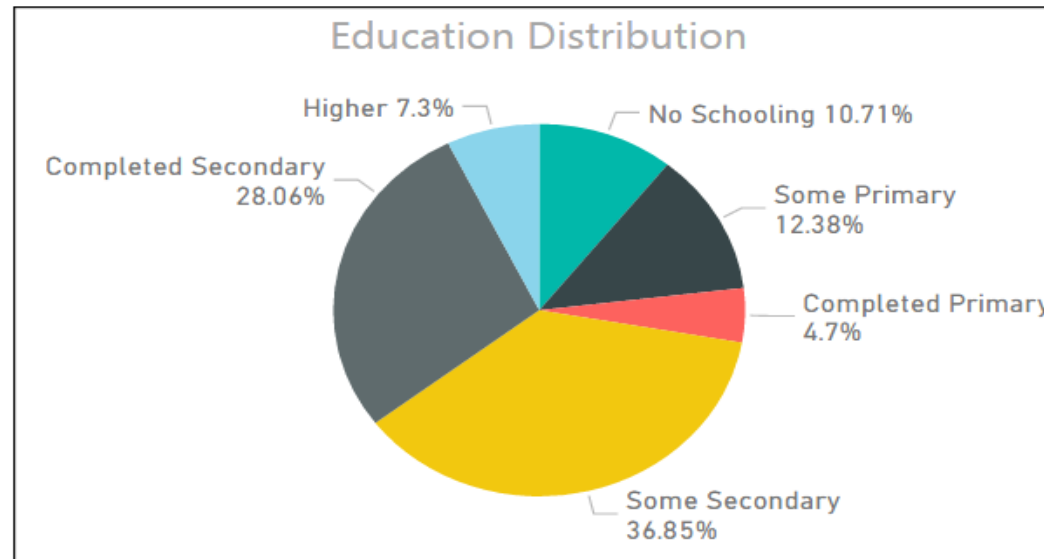
THANK YOU!



Cluster: VK1 Employment



Cluster: VK1 Education



Cluster: VK1

Income

