



# SOCIO-ECONOMIC BASELINE REPORT

SEPTEMBER 2019

Mining Right : MR 517 NC & MR 518 NC



**BLACK MOUNTAIN MINING**

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## List of Terms and Abbreviations

<i>BMM</i>	Black Mountain Mining (PTY) LTD (consisting of Deeps, Swartberg and Gamsberg Mining operations)
<i>B-BBEE</i>	Broad-Based Black Economic Empowerment
<i>CSI</i>	Corporate Social Investment
<i>DMR</i>	Department of Minerals Resources
<i>IDP</i>	Integrated Development Plan
<i>KMLM</i>	Khâi-Ma Local Municipality
<i>LED</i>	Local Economic Development
<i>MC III</i>	Mining Charter Three
<i>MPRDA</i>	Mineral and Petroleum Resources Development Act No. 28 of 2002
<i>NKLM</i>	Nama Khoi Local Municipality
<i>PACSA</i>	Pietermaritzburg Agency for Community Social Action
<i>PGDP</i>	Provincial Growth Development Plan
<i>PSDF</i>	Provincial Spatial Development Framework
<i>SA</i>	South Africa
<i>SDF</i>	Spatial Development Framework
<i>SEBS</i>	Socio-Economic Baseline Survey
<i>SED</i>	Socio-Economic Development
<i>SLP</i>	Social and Labour Plan

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## 1 INTRODUCTION

Umsizi Sustainable Social Solutions (“Umsizi”) was appointed by Black Mountain Mining Pty Ltd (“BMM”) to conduct a socio-economic baseline study of the communities impacted by the Black Mountain Mining operations. The purpose of the survey was to undertake a detailed socio-economic needs assessment of the surrounding communities to inform the development of BMM’s new five-year Social and Labour Plan (SLP), as required by the Department of Mineral Resources (DMR) and Mining Charter III (September 2018).

BMM currently runs two zinc mining operations. The two operations lie directly west (**Gamsberg operation**) and east (**Swartberg / Deeps operation**) of the town of Aggeneys within the Khâi-Ma Local and Namakwa District Municipalities, in the Northern Cape Province.

This Socio-Economic Baseline Study (SEBS) report contains the data, and analysis thereof, of the survey conducted with BMM’s surrounding communities. The fieldwork was conducted in July 2019 and is also based on consultation undertaken by BMM with: 1) the communities (Pella, Pofadder, Witbank, Onseepkans); 2) the municipalities (Khai-Ma, Nama Khoi and Namakwa); and 3) Organised Labour, over the last 6 months. See attached consultation record.

The report describes the baseline data and findings from the stakeholder engagements sessions.

## 2 BACKGROUND OF BLACK MOUNTAIN MINE

BMM has been in operation since 1980 and was acquired from Anglo American by Vedanta Resources in 2010/2011. BMM’s current operation comprises: i) Two underground mines, namely Deeps, Swartberg and a processing plant; and ii) Gamsberg mine which is an open pit operation and a processing plant. The Deeps mine, which started in 2003, has been the primary mining operation to date and has produced 14.5 million tonnes of sulphide ore from its underground operations. Production at Deeps is currently scheduled to cease in 2023. The Swartberg deposit was mined on a small-scale during the Broken Hill to Deeps interchange but has since started again in January 2013 to supplement the Mill feed. On average, the current Swartberg operation produces about 40,000 tonnes of ore from its underground workings. The Swartberg shaft produces primarily copper and lead, with silver as a by-product. Annual production is of the order of 13.5ktpa of metal-in-concentrate. Plans are well advanced to deepen Swartberg, which will increase production to 1.6Mtpa of copper and lead ore, and 60ktpa - 70ktpa of metal-in-concentrate, depending on a favourable economic assessment. Further ramp up is planned for the future, taking copper and lead ore production past the 2Mtpa mark.

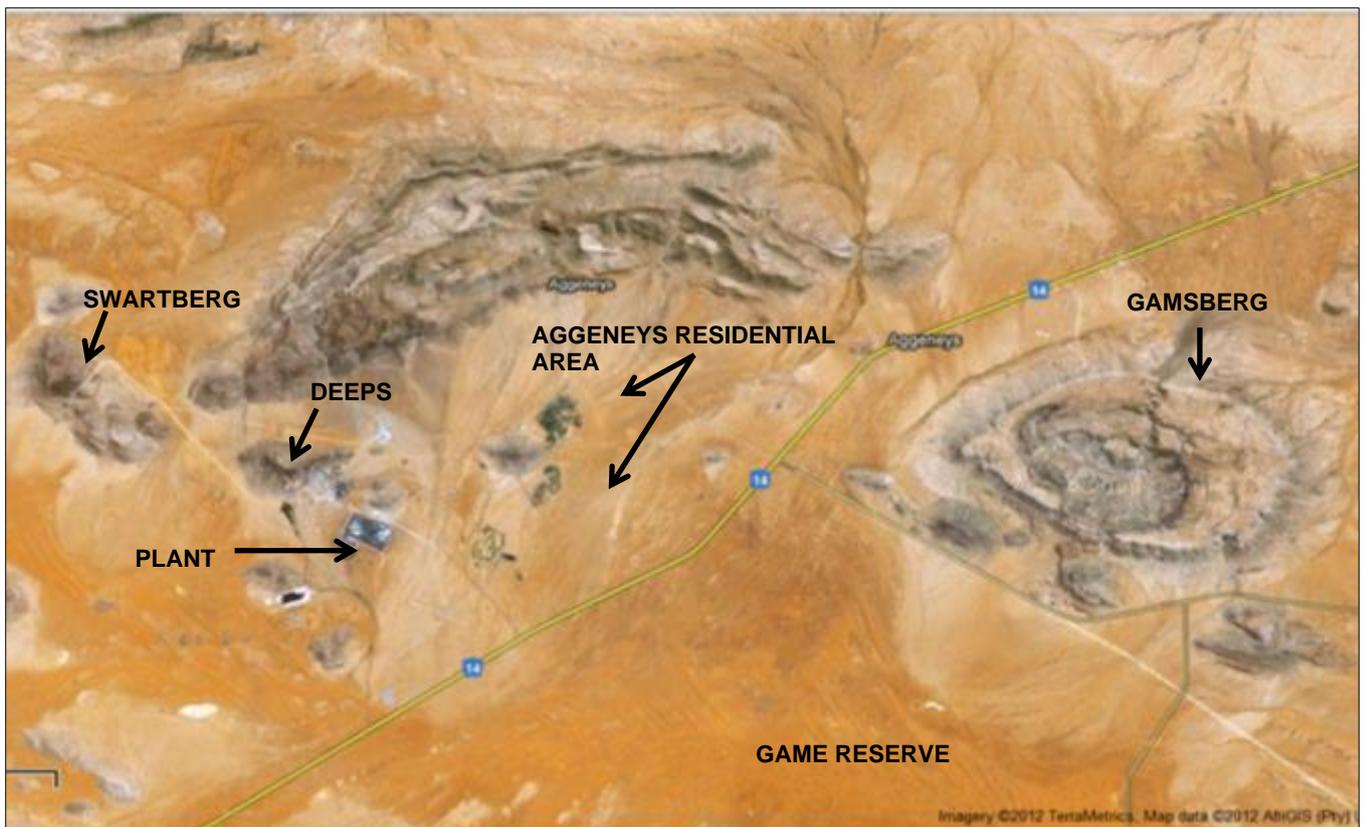
The Gamsberg mine, which is BMM’s newest operation, exploits one of the largest known, undeveloped zinc orebodies in the world and comprises an open pit mine and a dedicated processing plant.

### 3 LOCALITY

BMM operations lie adjacent to Aggeneys, a town 113km north-east of Springbok in Northern Cape province, South Africa. BMM's Deeps/Swartberg operation is situated immediately west of the town of Aggeneys. Gamsberg is located about 20km east of Aggeneys.

Figure 1 indicates the locality of BMM operations of Swartberg, Deeps and Gamsberg

Figure 1: Aerial View of Geographical Location of BMM



### 4 MINING AND LOCAL ECONOMIC DEVELOPMENT

Communities surrounding mines often don't benefit from the natural resources in their area as economic benefits typically bypass local communities, especially those that are most disadvantaged. In South Africa, the Mineral and Petroleum Resources Development Act No. 28 of 2002 (as amended) (MPRDA) and the Mining Charter ensure that mines are obliged to implement Local Economic Development (LED) projects and programmes within their surrounding and labour-sending areas. Mines are required to obtain a 'social license' to operate by ensuring broad-based direct socio-economic development and high impact to the benefit of local communities.

BMM operates in the greater district of Namakwa, which falls under the Namakwa district municipality. In terms of the local municipalities, BMM draws their labour from the Khâi-Ma local municipality (KMLM) and Nama Khoi local municipality (NKLM). Together, these three areas are BMM's focus areas when it comes to local economic development.

#### 4.1 MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT

The MPRDA requires mines to develop and implement a Social and Labour Plan (SLP), which includes developing and implementing a Local Economic Development Plan (LEDP). The LEDP requires mines to establish or support LED projects or programmes within its surrounding and labour-sending communities, which are aligned to the Integrated Development Plans (IDP) of their Local Municipality.

LED projects are clustered into sectors such as basic services and infrastructural development, poverty eradication, income-generation, education, skills development and welfare creation. **Mines are required to undertake socio-economic studies within their surrounding and labour-sending communities to identify the needs and most appropriate project opportunities.**

Through consultation with community representatives and relevant authorities, Mines are to ensure that LED programmes align with the development plans of Government as stipulated in the Integrated Development Plans (IDPs) of the host and labour-sending local municipalities.

Mining Right holders are legally required to submit and implement a new SLP every five years as a condition of the mining licence. It is imperative that the SLPs are contextually appropriate to the mine (i.e. in terms of the Company's culture, resources, magnitude and impact of the mine on its surrounding communities) and realistic in terms of implementation and sustainability.

#### 4.2 MINING CHARTER

The Department of Mineral Resources promulgated the new Mining Charter (known as Mining Charter III) on 27 September 2018. The Mining Charter is a Government instrument to implement effective sustainable growth and to meaningfully transform the mining industry. The key objectives of the Charter with regard to LED include the following:

- To utilise and expand the existing skills base for the empowerment of Historically Disadvantaged Persons (HDPs) and to serve the community;
- To promote employment and advance the social and economic welfare of mine communities and major labour-sending areas;
- To promote beneficiation of South Africa's mineral commodities;
- To promote sustainable development and growth of the mining industry; and

- To develop human resources by compelling mining companies to invest a percentage of their payroll on essential skills and development activities, reflective of the demographics of the surrounding beneficiary communities.

## 5 LEDP DESIGN PRINCIPLES

LED projects are to be contextually appropriate to the company, the operational regions and the local communities surrounding the operation. LED projects are to be compliant with relevant legislation and the company’s business strategy and have broad-based long-term impact. It is recommended that the following principles, as described in **Table 1**, influence the design of BMM’s LED projects.

**Table 1: LEDP principles and requirements**

Origin	Principle and requirement
SLP	To meaningfully contribute towards community and socio-economic development, both in terms of size and impact, in line with the social license to operate.
DMR	Stipulates four LED components, namely: Community development (education, skills and welfare), poverty alleviation, income-generating activities, infrastructure & basic services.
MC III	Suggests a more broad-based focus for LED projects as opposed to a single project, emphasis on larger projects which benefit a broad-base and impact higher numbers of people.
IDP	Water, sanitation, health, poverty eradication & unemployment are key focus areas for Local Municipalities.

In addition to the IDP documents, this socio-economic baseline study for BMM was also informed by two other documents, namely the Wits 2015 report, a socio-economic study conducted by the University of the Witwatersrand; and the SED framework report, a study and framework for Socio-Economic Development which was compiled by Umsizi in November 2017.

## 6 AIM AND OBJECTIVES OF THE SOCIO-ECONOMIC BASELINE STUDY

In a 2019 correspondence to mining companies, the DMR points out that communities feel they are seldom, if ever, consulted by mining companies in terms of local economic development projects (See Annexure A to view the letter from the DMR). When communities get ignored or are inadequately consulted, protests occur, projects become white elephants and vandalism of projects happen because of a lack of ownership from the communities.

It is against this backdrop, that is community complaints about lack of or marginal consultation by companies, that the DMR issued letters to mining companies in South Africa requiring them

to undertake comprehensive socio-economic baseline studies before the end of September 2019. The DMR stipulated in its letter that the socio-economic baseline study must involve the participation of communities and other relevant stakeholders. These consultations must guide the process in identifying the developmental priorities in a community. Such identification must of course set the tone for the mine's LED projects.

Furthermore, it is worth mentioning that BMM is now developing its new Social and Labour Plan. The findings of the socio-economic baseline study, which is discussed under *Point 12* and *Point 13*, informed the LED projects for the period 2019 – 2023. Thus, the SLP will meet the following requirement as set out by the DMR: *“the socio-economic study should inform the development of an effective Social and Labour Plan document and implementation plan.”*

The next section provides insight into the design of the socio-economic baseline study by discussing how the study was approached.

## **7 DESIGN OF THE SOCIO-ECONOMIC BASELINE STUDY**

The socio-economic baseline study was approached using two methodologies. The first involved a desktop study of relevant existing and available documents, reports and development plans. These documents have guided this baseline study through providing key insights into the socio-economic situation surrounding the mine. The documents that were reviewed for the purpose of BMM's socio-economic baseline study are as follows:

- Khâi-Ma local municipality IDP 2018/2019;
- Nama Khoi local municipality IDP 2018/2019;
- Wits 2015 report; and
- Socio-economic review of BMM's context and steps towards developing an SED framework 2017 (as conducted by Umsizi).

The IDP documents are comprehensive, and as such not every relevant factor can be summarised into this report. To keep within the scope of the socio-economic baseline report, the socio-economic needs and challenges faced in these municipalities are extracted from the relevant IDP and summarised in table format. The socio-economic issues were identified by the municipalities through consultation with the communities.

For the Wits report, key challenges and issues are also presented in table format. The focus of the Wits report was on the Khâi-Ma local municipality. Therefore, in the Wits report, specific reference is made to Aggeneys, Onseepkans, Pella, Pofadder and Witbank. The table presented under *Point 8.3* offers the same outline by presenting a summary of key challenges within each of these villages.

Lastly, the key findings of the SED framework report are also presented in table format. These findings bear significant interest for the mine's LED projects since they provide in-depth details around the issues in the area, but also around how developmental barriers may be addressed

and overcome. These initiatives are offered in the form of a framework. The SED framework and its key components are presented and summarised under the relevant section.

Apart from the four mentioned documents that were reviewed, the desktop review also involved an evaluation of the key development indicators of Khâi-Ma and Nama Khoi's socio-economic environment. The information of this section is presented in tables and mostly draws data from the 2016 Community Survey. In cases where the 2016 Community Survey data were lacking, Census 2011 data are presented.

Apart from the comprehensive desktop review that was conducted, the socio-economic baseline study was further informed by stakeholder engagements, as required by the DMR. The methodology and approach taken in terms of these engagements are fully discussed under *Point 10*.

The next section serves as the first part of the desktop review and provides insight into the socio-economic circumstances of Khâi-Ma and Nama Khoi.

## 8 REVIEW OF RELEVANT DOCUMENTS

### 8.1 NORTHERN CAPE PROVINCIAL VISION 2040, FRAMEWORKS, STRATEGIES AND PLANS

BMM's developmental plans need to align with the Northern Cape's Vision 2040 and supporting strategies and plans, such as the Provincial Growth and Development Plan (PGDP), the Provincial Spatial Development Framework (PSDF). The PGDP is structured towards achieving Vision 2040, aiming to accelerate GDP growth to reduce unemployment and inequality and contribute to a more inclusive society. The projects and interventions it proposes are aligned with the Mid-Term Strategic Framework (MTSF) outcomes, namely to:

- Alleviate poverty
- Decrease income disparities
- Promote retention of local wealth
- Promote investment attraction and job creation
- Increase skilled labour
- Support rural development and stimulate agricultural production

The Local Economic Development Strategy introduces a specific goal to **promote retention of local wealth**. This goal aspires for a gradual shift from predominant trends in the province of net importing of goods and services by making quality goods and services available locally at competitive costs. Such premeditated focus is likely to curb the outflow of cash from households, local communities, and the province itself. In this way various transactions at multiple levels, and especially at household or grassroots levels may be maximised, allowing for retention of wealth locally.

The proposed mechanism for this desired change is the stimulation of diverse opportunities for broad-based participation in the economy. By applying this new lens, innovative solutions for broad-based opportunities for households will likely emerge across a diverse range of activities, from the simplest food security-driven solutions to new possibilities associated with the Fourth Industrial Revolution.

## 8.2 KHÂI-MA LOCAL MUNICIPALITY IDP

The IDP identifies needs and challenges in the Khâi-Ma district in four categories, namely: needs for basic services and infrastructure, needs for community services, social needs and economic needs. Each category is presented in more detail in **Table 2**.

**Table 2: Khâi-Ma IDP needs and challenges**

<b>Economic Needs</b>	
Assistance with establishment, registration of Companies Assistance with writing of business plans Availing of funding for start-up business Skills training Mentoring Sustainable jobs Utilisation of SMME building at Pella Availability of land for business purposes	Drought Relief for emerging farmers Stands for Recycling companies Implementation of Social Labour plans Benefits from tourism Youth development Banking facilities at Onseepkans, Witbank and Pella - Inhabitants have to travel to Pofadder at costs to obtain cash since speed points are not available at all businesses
<b>Needs for basic services and infrastructure</b>	
<b>1.1.1.1 Water</b>  Access to sufficient and clean water to all households every day, including those at the higher part of the towns, Pella, Onseepkans	<b>1.1.1.2 Sanitation</b>  Toilet facilities - flush toilets, not dry systems, for villages Public toilets in business areas of Pofadder and Pella
<b>1.1.1.3 Waste</b>  Regular refuse removal from all consumers and supply of waste bags to all households Clean-up of areas surrounding town Fencing of landfill sites	<b>1.1.1.4 Wastewater</b>  Removal of wastewater regularly Extension of sewerage system at Pofadder, New sewerage system for Pella and Onseepkans Fencing of oxidation pounds at Pofadder, Pella, Onseepkans and Witbank
<b>1.1.1.5 Roads</b>	

<p>Gravel roads to be paved (all towns)                  Pofadder-Onseepkans road to be tarred                  Maintenance of existing streets including tar roads (Pofadder)                  Re-gravelling of Witbank access road                  Grading of gravel roads                  Storm water drainage (all towns)                  Maintenance of access road to Pella</p>	<p><b>1.1.1.6 Housing</b></p> <p>New structures for inhabitants without decent shelter                  Completion/repair of defects of houses not on standard                  Replacement of clay structures at Pella                  Serviced residential stands (all communities)                  Accommodation for public officials (SAPS, Education) being deployed in the Municipality 's jurisdiction                  Acceleration of processes on issuing of Title deeds on properties</p>
<p><b>1.1.1.7 Energy</b></p> <p>New connections - Pofadder, Pella, Onseepkans and Witbank                  Removal of connections to permanent structures                  Pay attention to power failures at Pella</p>	
<p><b>Needs for Community Services</b></p>	
<p><b>1.1.1.8 Community Halls</b></p> <p>Dressing rooms, toilets and kitchen facilities at Viljoensdraai                  Airconditioning at community halls                  Repair of defects at all halls                  Establishment of a community hall at Witbank</p>	<p><b>1.1.1.9 Sport and Stadiums</b></p> <p>More sport and recreation facilities (Pella needs an additional soccer field for tournaments)                  Safeguarding/caretaking of facilities and property maintenance of infrastructure</p>
<p><b>1.1.1.11 Commonage-</b></p> <p>Stock watering for emerging farmers                  Fences - gargles and boundaries amongst towns and commonage (to keep animals out of town and away from the road)                  Removal of illegal farmers from commonage</p>	<p><b>1.1.1.10 Libraries</b></p> <p>Internet facilities at all libraries                  New library - Onseepkans</p> <p><b>1.1.1.12 Graveyards/cemeteries</b></p> <p>New graveyard for Pella                  Upgrading of graveyard of Pofadder, including water and ablution facilities                  Improved mortuary at Onseepkans (current one is not prepared for utilisation)</p>
<p><b>1.1.1.13 Clean, Healthy, and safe environment</b></p> <p>Removal of illegal dumps on streets and in neighbourhoods                  Lighting of neighbourhood - more high mast lights (Pella, Sending and Onseepkans)                  Quicker repair of defected lights</p>	<p><b>1.1.1.14 Information</b></p> <p>Councillors to be always available to the inhabitants                  Regular ward and community meetings                  Municipality issue notices timeously                  Equipping of service points for better services</p>

<p>Lighting of N14 – Pofadder Neighbourhood watch Police patrols Quicker response to calls out Pella and Aggeneys police stations occupied for 24 hours per day</p>	<p>Improved communication means - Upgrade cell phone reception / wireless connection for access to mobile internet Extension of Community Radio Frequency</p>
<b>Social needs</b>	
<p><b>1.1.1.15 Health Services</b></p> <p>Full time medical officers based at Pofadder Part-time nurse at Witbank Medicines to be made available Cooling facilities for medicines - Witbank Extension of clinic at Blyvooruitsig Food for patients at Health Care Centre, at Pofadder Clinic services at Viljoensdraai New clinic building at Sending, Onseepkans Waiting room for patients at Sending and at Pofadder Health Care Centre for patients to be transported to Springbok, Upington or Kimberley Transport for patients</p>	<p><b>1.1.1.16 Emergency Service</b></p> <p>Improved Ambulance services Adequate vehicles and equipment for quicker response to fires</p> <hr/> <p><b>1.1.1.17 Sport and Recreation</b></p> <p>Various sport codes Proper coaching Facilities Funding for events including outfit and equipment</p>
<p><b>1.1.1.18 Education</b></p> <p>Protection of school property against theft and vandalism Protection for teachers Assistance with school fees Skills Development New school building for Pella and Onseepkans Primary Schools Transport for children to school from Onseepkans to Pofadder Financial Assistance (bursaries)</p>	<p><b>1.1.1.19 Welfare</b></p> <p>Creché for Children of Working mothers (Viljoensdraai) Additional classrooms and kitchen facilities at Sending, Onseepkans Early childhood development facilities at Pofadder and Viljoensdraai, Onseepkans Increased financial and management support for Youth and Children 's Care Centre Action against Alcohol and Drug Abuse Moral regeneration</p>

### 8.3 NAMA KHOI LOCAL MUNICIPALITY IDP

As with Khâi-Ma, the Nama Khoi IDP also identified the needs and challenges within the local community. The IDP states that consultations with the community and relevant stakeholders took place which allowed for the identification of needs and challenges. These socio-economic needs were classified according to categories, namely: environment and land, infrastructure, economic issues, social issues and institutional challenges. **Table 3** provides a more detailed summary of each of these challenges and needs within the Nama Khoi communities.

**Table 3: Nama Khoi IDP needs and challenges**

<b>Environment and land</b>	<b>Infrastructure</b>
<ul style="list-style-type: none"> <li>• Enhance environmental management institutional capacity</li> <li>• Address waste disposal environmental issues</li> <li>• Prevent water pollution (need for water quality monitoring)</li> <li>• Address environmental issues/impacts related to development projects (ensure legal procedures followed).</li> <li>• Remove alien invasive plants</li> <li>• Promote environmental awareness</li> <li>• Upgrade and develop new cemeteries</li> <li>• Register landfill sites</li> <li>• Climate Change Awareness Programs and support for eco school program</li> <li>• Promote waste recycling within the area</li> </ul>	<ul style="list-style-type: none"> <li>• Upgrade roads and associated storm water drainage in jurisdiction area</li> <li>• Upgrade water storage and sanitation services in jurisdiction area</li> <li>• Upgrade water supply in jurisdiction area</li> <li>• Provide electricity in jurisdiction area.</li> <li>• Upgrade electricity supply in jurisdiction area</li> <li>• Upgrade sanitation services in jurisdiction area</li> <li>• Purchase additional equipment (in order to provide and/or maintain essential infrastructure services).</li> <li>• Promote and facilitate the provision of integrated human settlements within Nama Khoi area.</li> <li>• Renewable energy</li> </ul>
<b>Economic</b>	<b>Social</b>
<ul style="list-style-type: none"> <li>• Facilitate job creation and LED (to address high unemployment rate).</li> <li>• Promote tourism</li> <li>• Promote small business development</li> <li>• Investigate feasibility of recycling mine dumps, establishing small new mines and the prospecting for other minerals</li> <li>• Support existing government departments projects</li> <li>• Promote Private Public Partnerships</li> <li>• Participate in the Operation Phakisa project</li> <li>• Participate in the War on Poverty project</li> <li>• Support sustainable livelihoods programs such as food gardens and one-household-one-hectare program.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide additional sports and recreational facilities</li> <li>• Provide additional community facilities (multipurpose community halls and libraries)</li> <li>• Mitigate the risk of disasters</li> <li>• Traffic services</li> </ul>
<b>Institutional</b>	
<ul style="list-style-type: none"> <li>• Promote special programs: gender equality, youth, elderly, women, disabilities</li> <li>• Upgrade office accommodation by: <ul style="list-style-type: none"> <li>Refurbishing existing buildings;</li> <li>Providing additional office space</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Enhance institutional capacity - human resources and financial by: <ul style="list-style-type: none"> <li>Compiling a human resources database;</li> <li>Finalizing organizational structure;</li> <li>Conducting job evaluations;</li> <li>Implementing safe working conditions</li> </ul> </li> </ul>

#### 8.4 WITS 2015 REPORT

A Socio-Economic baseline study was conducted by the University of the Witwatersrand in 2015. It is stated in the Wits Report of 2015 that the main aims of the document were firstly to develop a socio-economic baseline for the Khâi-Ma region and assess the changes of key socio-economic indicators, including the Millennium Development Goals (MDGs). Secondly, the report aimed to quantify and evaluate direct and indirect impacts of mining (in particular BMM) over the past four decades, based on quantifiable data as well as local people's perceptions. Derived from the objectives, the socio-economic indicators of each villages in the Khâi-Ma local municipality were documented in the report and matters around the livelihood and culture were also discussed. **Table 4** provides a summary of the key findings of the Wits 2015 Report.

**Table 4: Wits 2015 Report key findings**

<b>Pofadder, Pella, Onseepkans &amp; Witbank</b>	
<ul style="list-style-type: none"> <li>• Infrastructure improvements, but facilities constrained in terms of water, sanitation and housing</li> <li>• Limited health care facilities, particularly in Onseepkans and Witbank</li> </ul>	<ul style="list-style-type: none"> <li>• Litany of incomplete projects – clinics, library, roads, housing</li> <li>• Sanitation, water quality is below Green Drop, Blue Drop standards</li> </ul>
<b>Aggeneys</b>	
<ul style="list-style-type: none"> <li>• Infrastructure and services are of higher quality than rest of Khâi-Ma, yet challenges occur in terms of shortage of housing, health care facilities</li> <li>• ABET and other training courses, but few learnerships and internships available relative to the need</li> <li>• Across classes, children no longer assured of obtaining a job on the mine</li> <li>• The clinic is small, cramped and short staffed. Since there is an accommodation shortage it is difficult to fill vacant positions</li> <li>• Struggling to resolve long outstanding issues – lack of secure archive space, public health care professionals not included in risk or disaster management planning</li> <li>• Police staff experience a lack of accommodation, high staff turnover, and similar problems to health care</li> </ul>	<ul style="list-style-type: none"> <li>• In terms of health care professionals and police, the following is also documented in the report:</li> <li>• High concerns about poor communications with BMM management – poor follow-up and resolution of critical issues, including Gamsberg level – registering HIV/AIDs patients and tracing medical records when already understaffed</li> <li>• Increased cases, esp. HIV/AIDS, tuberculosis, STDS and related diseases</li> <li>• Increased crime, danger for police in combatting crime, e.g. residences</li> <li>• Increased substance abuse</li> <li>• Increased domestic violence in the Northern Cape, incl. Aggeneys, amongst highest in SA</li> <li>• Virtually no window to secure additional staff to deal with influx</li> </ul>
<b>Livelihood, economic opportunities</b>	<b>Culture, identity and histories</b>
<ul style="list-style-type: none"> <li>• State public works programmes</li> <li>• Subsistence farming</li> <li>• Labour on commercial farms</li> <li>• Recently, mines</li> <li>• Poor service delivery</li> <li>• Irrigation infrastructure</li> <li>• Liquidity - poverty trap, inability to recover from crisis</li> </ul>	<ul style="list-style-type: none"> <li>• Historically marginalised and disenfranchised</li> <li>• Post-94 hopes, disillusionment</li> <li>• Aware of reputation of not being willing to work but repeatedly expressed desire to ‘move on’, improve standards of living</li> <li>• Geographically and socially isolated</li> <li>• Strong ties to culture, communities, families, land</li> </ul>

## **8.5 SOCIO-ECONOMIC REVIEW OF BMM'S CONTEXT AND STEPS TOWARDS DEVELOPING AN SED FRAMEWORK**

A key outcome of BMM's 2017 SED analysis was to develop a framework to guide decision-making on investment in development programmes and projects in the Khâi-Ma and Nama Khoi area. This SED framework aims to maximise the impact of the mine's SLP, BBBEE and CSI spending towards the establishment of a strong and diversified second economy.

Importantly, it recognised that BMM's initiatives occur within a broader system of interventions by a range of investors and actors in the region. It was therefore imperative that the framework needed to provide for coordination between stakeholders, without undermining each organisation's sovereignty of decision-making. Proper coordination is of the utmost importance to avoid fractured development intervention, confusion and consultation fatigue in communities. The SED Framework (see Figure 2) incorporates the following elements:

- a) An institutional framework;**
- b) A framework for debate and decision-making processes at various relevant levels, including internal capacity building and review; and**
- c) A set of tools to support debate and decision-making, namely a shared vision and agreed criteria**

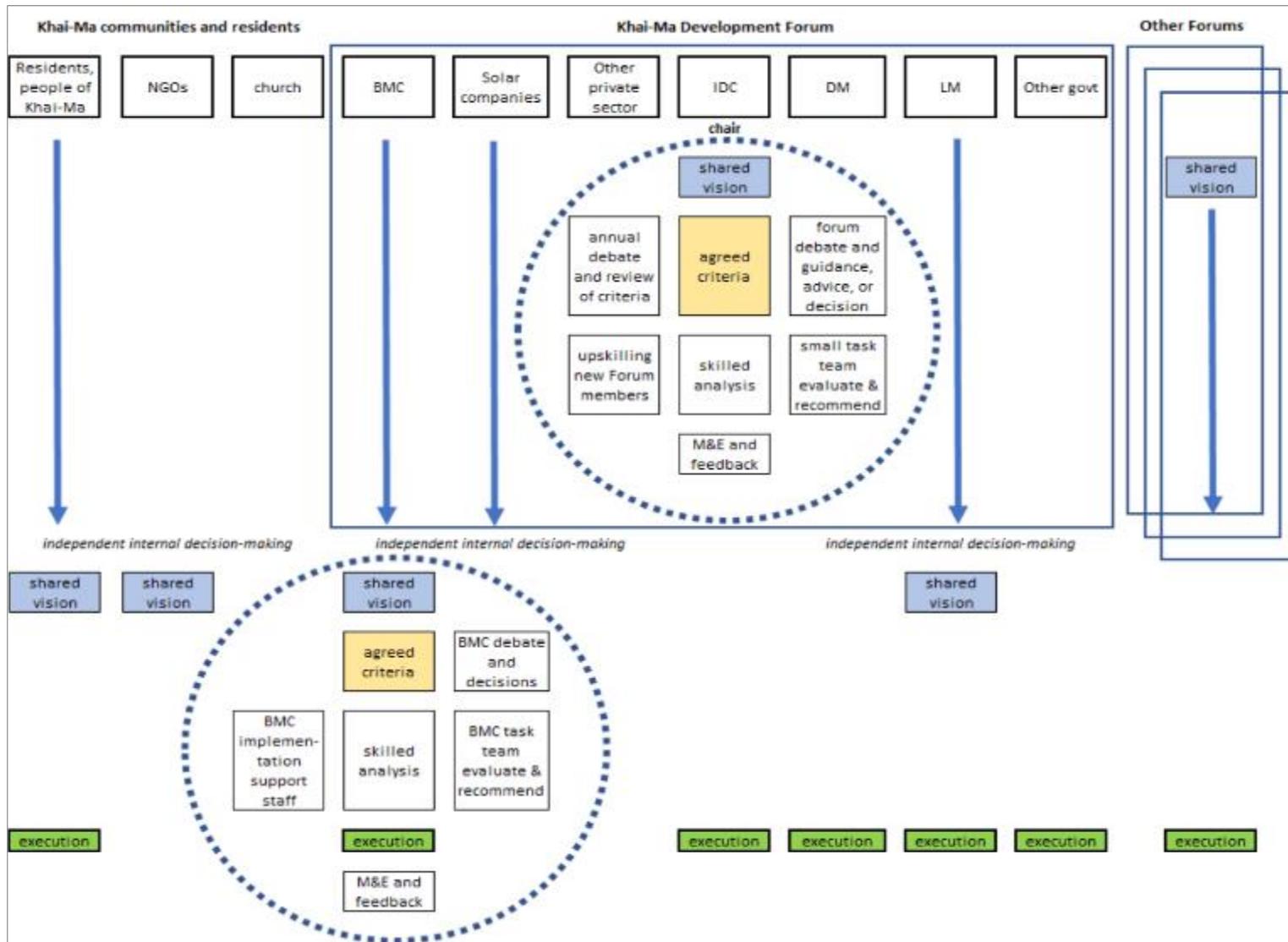
These elements are discussed in more detail below, followed by a discussion of the need for a shared vision and coordinated development implementation for the region.

### **8.5.1 The Institutional framework**

The SED framework reflects the existing Khâi-Ma Development Forum as a platform for interaction between current and potential future members from government (local, district and provincial), and non-government sectors (private sector, institutions and NGOs). The framework also reflects an intention to interact with other relevant forums, and with organisations and individuals outside the direct membership of the Forum, as and when necessary.

In other words, in nature the framework intends to be open and welcoming of membership and participation, rather than being exclusionary. In terms of function and process, the framework recognises that members have their own independent internal decision-making processes and remain in control of execution of programmes and projects initiated by them.

Figure 2: SED framework for BMM in coordination with Khai-Ma



## 8.5.2 The framework for debate and decision-making Processes

Based on a shared vision and shared criteria (discussed below), the framework sets out a process to support “skilled analysis”, both in the Forum (see “upper circle” on the diagram), as well as within any of the separate entities, such as BMM (see “lower circle” on the diagram). Note that any other governmental, non-governmental or private entity can adjust and apply the “lower circle” within their own context. The following capacity building, debate and decision-making processes are reflected in the diagram, with their position described relative to the “skilled analysis” block:

<p><b>LEFT UPPER:</b></p> <p>New and existing members are encouraged to contribute insights and ideas into the regular review of criteria.</p>	<p><b>RIGHT UPPER:</b></p> <p>Skilled-up Forum (or entity) members debate presentations and recommendations, as appropriate to the case, and provide guidance, advice or decision-making.</p>
<p><b>LEFT LOWER:</b></p> <p>Firstly, provision for an initial and regular future processes of skilling up current and new forum or entity members to deepen insight in the aspects affecting development.</p>	<p><b>RIGHT LOWER:</b></p> <p>A small task team of the Forum (or entity) analysing proposals related to the “criteria” and presenting their findings to the Forum meeting.</p>

*NOTE:* Presentations can be heard from the task team, or from any Forum member or any person external to the Forum. Presenters can be provided with the vision and criteria upfront, to style their presentations to show how it responds to local priorities.

## 8.5.3 A set of tools to support debate and decision making

The “shared vision” and “agreed criteria” are meant to be compatible across the SED Framework to support discussion and policymaking. The “vision” should be cognisance of realities and future opportunity, and specifically that in the context of the 4th Industrial Revolution “in the future, talent more than capital, will represent the critical factor in production” (Schwab, 2015). Excellence must be the way forward. The “criteria” should reflect lessons learnt in development, locally and globally, and should therefore be reviewed as experience grows.

The document further identified some key points to further insights towards developing BMM’s SED vision. These points are summarised in **Table 5** below.

#### **8.5.4 Need for a shared vision and coordinated development implementation for the region**

It was a key finding that the primary development stakeholders in the region, namely the Municipalities, Provincial and National Government, Social Institutions and Private Industry (Vedanta and IPPs for example), are mostly pursuing different and often contradictory development visions and interventions, with very little integrated alignment in a common direction.

This is focussed on short-term immediate needs rather than longer-term development interventions to bring about socio-economic transformation and development at scale and inclusive of marginalised communities. Furthermore, there is a lack of institutional capacity in setting sustainable development indicators which can be used to guide policy-setting, decision-making and development execution on the ground.

The problem is compounded by the gross occurrence of hopelessness, social ills (alcoholism, drug addiction, abuse of women and children, HIV/AIDs etc.), and intra-community jealousy, apathy, entitlement and factional domination in these areas. Given the remoteness and isolation of the communities of Khai-Ma and Nama Khoi, there are very limited socio-economic development opportunities that recognize, on one hand low community capacities to initiate meaningful socio-economic change, and on the other, enhance capabilities to effectively participate in broad-based economic activities that aim to positively impact their wellbeing – that is economically benefiting households, local enterprises and the community at large, in sustainable ways.

Such opportunity creation needs to align to and capitalise on the current and future economic growth sectors of the region as outlined in Vision 2040 and its supporting strategies and plans, such as the PGDP, SDFs, MTSF, LED and private sector plans, such as:

- Vedanta Gamsberg Phase II mining extension;
- Vedanta Smelter and Refinery establishment;
- Vedanta Agro-Processing and Fertiliser Plants establishment;
- Independent Renewable Power Producers Development Projects;
- Construction of railway network from Upington to BMM to the West Coast;
- Construction of a new deep-sea port at Boegoebaai on the West Coast;
- Establishment of a Special Economic Zone at Aggeneys;
- Construction of houses and services in the towns of Aggeneys; Pofadder; Pella and Springbok;
- Fourth Industrial Revolution opportunities; and further downstream economic industries.

**What is needed more than ever before is the development of an integrated development vision for the region, based on participatory building of the vision in the communities themselves, and together with the key development and institutional stakeholders.**

**Table 5: Summary of insights into developing BMM’s SED vision**

Further Insights Towards Developing BMM’s SED Vision	
<b>Individual pathways out of area vs pathways within area</b>	Young people in rural areas face unique challenges when planning for their futures – They may face limited choices in terms of education and employment. This reality might cause stress and disengagement. Disengagement due to limited choices for a better future, drives social problems in the area, such as a lack of motivation and alcohol consumption. Offering education and employment opportunities will not always be enough to keep young people in rural areas. Surveys of young people who have left for urban areas, found that the whole 'package' is needed, which includes: Infrastructure, service availability and social and civic activities. Therefore, it is imperative to ensure that alternative futures are created for those who wish to relocate and for those who remain. Focussing projects or initiatives that will reach both groups will develop economic futures not necessarily related to employment at the BMM.
<b>Inspire youth to Excellence</b>	The 2015 Wits report stated that in order to assist youth in overcoming some of the barriers to achieving educational success, there was a 'need for creating a vision of a better future through role models'. It was recommended to employ a roving councillor. Sporting and cultural role-models and roving councillors and mentors being present and available to the youth over a long-period of time, will significantly increase the likelihood of the youth in the area being able to develop into successful adults.
<b>Support alternative economic opportunities</b>	A second economy in the region will only develop if new alternative economic enterprises are developed to provide jobs and employment and/or if local entrepreneurs are developed. For example: based on an approximation from summarised data for Census 2011, approximately R160 million per year flowed into the Khâi-Ma region as household earnings, of which about R32 million was earned by households earning R6 500 or less. By 2011, almost R20 million per year was flowing into Pella. These amounts illustrate the “fortune at the bottom of the pyramid” which could be put to work to build wealth in their own communities. Instead, a significant portion of this money flows directly out of the community, almost the same day, as a large portion of the money is immediately used on food and other consumables which originate outside the community.
<b>Inclusive training and skills development</b>	<p>In most training the primary cost of training is the time and travel resources of the trainer. Some training interventions that by nature can accommodate only limited numbers, however often greater numbers could also be included if planned well. People who are trained may expect to receive employment opportunities, but if communicated correctly, BMM could open its training wider, based on an understanding that not everyone who is trained will be offered jobs.</p> <p>Training should lead to better livelihood and BMM would be encouraged to assess the financial outcomes possible resulting from the training. BMM could also implement a regional training programme with a range of roving trainers, covering a wide range of skills. If, once a month, a group of trainers visited each of the local small towns and offered</p>

	<p>free and open training sessions to anyone who wished to come, BMM could potentially affect or reach all the people in the region.</p> <p>The focus of training should shift away from "Buildings", "Centres" and "Certificating" to the content that is transferred; real knowledge for real application, including sports coaching skills, preschool teaching skills, how to manage your money, how to start and run a small business, baby care and secretarial skills.</p>
<p><b>Pre-school and school development initiatives</b></p>	<p>Whilst past CSI activities have included a range of activities such as bursaries offered, teacher support programmes, school building maintenance, iPad provision etc, there is limited data on the impact of such initiatives. To strengthen the impact of future BMM CSR education initiatives, will be to identify all the schools in the mines sphere of influence, and then to develop and establish clear goals and indicators for what BMM wishes to improve in them over the next 30 years. To help overcome transport distances, BMM could consider supporting long-distance education initiatives.</p> <p>BMM could consider a school support approach, whereby top teachers from Gauteng or Cape Town, live stream some of their class lessons, or teach classes remotely, with a local teaching facilitator assisting in the classroom. If other partner sector is encouraged to share in BMM's vision, then BMM will have made a significant contribution to education in the area.</p>
<p><b>Opening global internet opportunities:</b></p>	<p>Cheap reliable internet is vital in today's economy and those without access to the internet have far more limited options available to them. It is problematic that in some of the smaller remote villages, such as Onseepkans, there is apparently little or no internet availability. This is a significant barrier and holds back the development of alternative economic pathways for the local communities. Umsizi believes that BMM should consider ways to facilitate the development of improved internet access at affordable prices. Options could include operating a mobile internet café, with free internet access for positive content, that visits different communities or areas on different days of the week. Liaising with, and part-sponsoring, improved cell phone towers or other such infrastructure, to improve connectivity, will start to open more doors for the community.</p>
<p><b>Overcoming language barriers:</b></p>	<p>English is the predominant 'business' language in a large proportion of the world. Poor English abilities is a significant barrier for many in the area, which is always going to hold them in their search for alternative economic activities. The Wits report also highlighted this issue stating that 'one of the main concerns is the learners' difficulties in communicating in English, the main medium of most tertiary institutions in South Africa'.</p> <p>It is recommended that BMM implements a long-term programme that will enable and assist both pupils and adults from the area, to improve their English. A strategic and targeted programme to improve English speaking, writing and reading skills across all age groups in the region will make a significant contribution to altering the futures of many individuals from the area.</p>
<p><b>Youth Mentoring Programmes:</b></p>	<p>Sport and cultural activities are ways through which mentors can reach and positively influence disadvantaged children. Excellence in sport or cultural activities can also open doors for bursaries for further study, coaching jobs and to make</p>

	<p>contacts within the business world that may otherwise never have been made. Apparently, Pella has as many as eight soccer teams, and tiny, remote Witbank community has three. Top soccer players could be brought into the area for training clinics every few months, whilst in between a core set of 'sports mentors' could be trained up to envision the youth through sporting or cultural activities to develop the life skills of hard work, goal setting, discipline, commitment and reliability. Through carefully branded programmes, promoting excellence, vision and hard work, Vedanta could start the small vision changes that are necessary for youth and communities who feel trapped in a 'dead-end' economic and social system.</p>
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## 9 KEY INDICATORS OF KHÂI-MA AND NAMA KHOI'S SOCIO-ECONOMIC ENVIRONMENT

**The Khâi-Ma local municipality (KMLM)** is a Category B municipality situated within the Namakwa District in the Northern Cape Province. It is one of the six municipalities that make up the district, accounting for 12% of its geographical area. According to Khâi-Ma's municipality website the following are the main socio-economic activities in the area: mining, agriculture, tourism and renewable energy.

Furthermore, the Khâi-Ma local municipality serves 4 wards, most of which are rural. The municipal area is approximately 15 734 km<sup>2</sup> in size. Also, Khâi-Ma municipality strives to deliver basic services to its community by ensuring that there is water, sanitation and electricity.

**The Nama Khoi local municipality (NKLM)** is a Category B municipality situated on the north-western side of the Northern Cape Province in the Namakwa District. It is one of the six municipalities that make up the district and is approximately 17 990 km<sup>2</sup>. According to the 2018/2019 IDP, the mining industry in Namakwa was led by Nama Khoi, which accounted for 58.1 % of the industry in 2014. Furthermore, mining was the largest employing industry in Richtersveld and Nama Khoi. The IDP further states that the industrial mining corridor as mentioned in the Provincial Spatial Development Framework (PSDF) must be investigated for opportunities and exploited where possible.

Springbok is the administrative centre of Nama Khoi's local municipality. Springbok is the most densely populated area and lies close to the N7. The town functions as the sub-regional centre for administrative, commercial and higher-order social facilities. Mining used to form the backbone of the economy, with tourism being the new frontier for economic development.

In order to gain an understanding of the socio-economic environment of both Khâi-Ma and Nama Khoi local municipality, the next section looks at following key socio-economic indicators: water and sanitation, source of energy, population and education, levels of employment and income levels.

**For the next section, the results from the 2016 Community Survey are used. In cases where no data was available from the 2016 Community Survey, the 2011 census data were used.**

### 9.1 WATER AND SANITATION

According to the 2016 Community Survey, there are a total of 4,079 households in Khâi-Ma. In terms of water supply, 81% of the households in the municipality are getting water from a regional or local service provider. This is about the same as the rate in Namakwa with 86,4% of the households getting water through a regional or local service provider.

In terms of water sources, 68,9% of the households have piped water inside the house, and 21,1% of the households have piped water inside the yard.

Turning now to Nama Khoi, there are a total number of 14, 547 households in this local municipality. Of the households in the municipality, 95% are getting their water from a regional or local service provider. This is about 10% higher than the rate in Namakwa (86,4%).

In terms of water sources, 81,4% of the households have piped water inside their houses and 16,5% have piped water inside their yards. For Namakwa, 72,1% of the households have piped water inside their houses and 23,9% have piped water inside the yard.

The remainder of the dwellings in the municipalities accessed water by borehole, spring, rain tank, dam, stream, water vendor or other means. **Table 6** provides a detailed breakdown of the type of water sources in these three municipalities.

**Table 6: Source of water**

Source of water	KMLM	NKLM	Namakwa
Borehole in the yard	0.3%	0.1%	0.8%
Borehole outside the yard	0.7%	0.3%	1.2%
Flowing water/stream/river	0.4%	0%	0.3%
Neighbours tap	0%	0.5%	0.4%
Other	0.5%	0.5%	0.4%
Piped (tap) water inside the dwelling/house	68.9%	81.4%	72.1%
Piped (tap) water inside yard	29.1%	16.5%	23.9%
Piped water on community stand	0%	0.4%	0.5%
Public/communal tap	0%	0.2%	0.1%
Rain-water tank in yard	0.1%	0.1%	0.4%
Spring	0%	0%	0%
Water-carrier/tanker	0%	0%	0.1%

(Source: 2016 Community Survey)

According to **Table 6**, it is evident that more than 50% of the households have piped water in their houses. However, water sources and access to reliable water supplies are not the primary cause for concern for Namakwa District resident. The Northern Cape Province is experiencing severe water shortages, with lower than expected rainfall for extended periods. Entire communities have recently reported being without water for days, due to a lack of supply. Farmers are hardest hit, as many have lost livestock and crops due to the drought. The National Disaster Management Centre of national Department of Cooperative Governance and Traditional Affairs (COGTA) recently made an allocation of R 42 million to the Northern Cape for the purchasing and distribution of relief feed through Department of Agriculture, Land Reform and Rural Development (DALRRD).

The situation on the ground is dire, as below average rainfall continues to impact the province. Commercial farmers continue to report losses, but those that are hardest hit are the subsistence farmers, who have few options available to them, and little hope of financial recovery.

It is clear that despite the fairly positive statistics, the reality of the drought is one of the more severe socio-economic factors at present.

Given the directly link between water supply and adequate level of sanitation, the next section looks at the sanitation conditions across the three municipalities.

According to the Community Survey 2016 data, 66,1% of the households in Khâi-Ma have access to flush toilets connected to a public sewerage system. In Nama Khoi, 75,8% of the households have access to a flush toilet. This is nearly the same as Namakwa's statistics with 71,1% of the households having access to flush toilets. Furthermore, as indicated in Table 7 below, 4,8% of people in Khâi-Mai and 1,1% in Nama Khoi have no access to sanitation services.

**Table 7: Toilet facilities**

Toilet Facility	KMLM	NMLK	Namakwa
<b>Bucket toilet (collected by municipality)</b>	0%	0.1%	0.9%
<b>Bucket toilet (emptied by household)</b>	0.5%	1.5%	1.7%
<b>Chemical toilet</b>	0%	0%	0.2%
<b>Ecological toilet (e.g. urine diversion; enviro-loo)</b>	0%	0%	0.8%
<b>Flush toilet connected to a public sewerage system</b>	66.1%	75.8%	71.1%
<b>Flush toilet connected to a septic tank</b>	17.9%	8.1%	10.4%
<b>None</b>	4.8%	1.1%	1.8%
<b>Other</b>	0.1%	0.5%	0.7%
<b>Pit latrine/toilet without ventilation pipe</b>	2.4%	5.3%	4.8%
<b>Pit latrine/toilet with ventilation pipe</b>	8.3%	7.4%	7.6%

(Source: 2016 Community Survey)

According to the 2016 Community Survey data, the provision of adequate sanitation is acceptable. However, during the fieldwork, some communities did mention the poor sanitation facilities. Poor sanitation poses a health risk to people through the spread of diseases, such as cholera and other communicable diseases. This represents a priority issue to be addressed in the respective IDPs.

## 9.2 SOURCE OF ENERGY

In terms of energy used for cooking, a significant number of households within the Khâi-Ma (78,1%) and Nama Khoi (90%) have access to electricity through an inhouse prepaid meter. In Khâi-Ma 4% of the households do not have access to electricity. This is more than 1.5 times the rate in Namakwa (2,23%) with no electricity. In Nama Khoi it is estimated that 1,4% of the households do not have access to electricity. **Table 8** below depicts the breakdown of access to electricity in the three municipalities.

**Table 8: Source of energy**

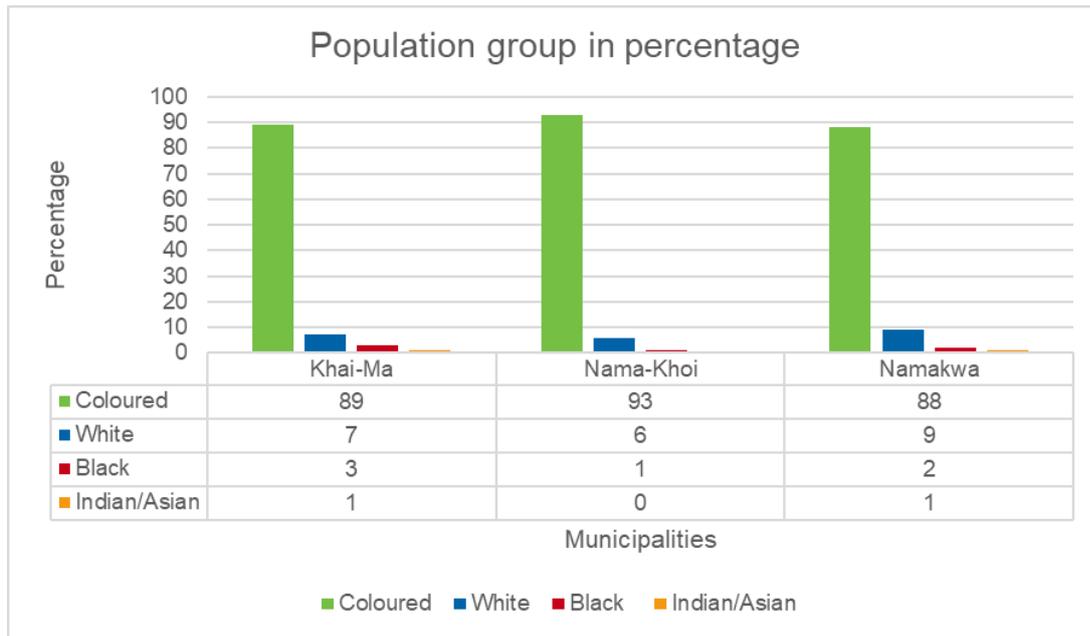
Electricity source	KMLM	NKLM	Namakwa
Battery	0%	0%	0.1%
Connected to other source which household is not paying for	0%	0.1%	0.1%
Connected to other source which household pays for	0.8%	0.3%	0.5%
Generator	0%	0%	0.2%
In-house conventional meter	14.6%	7.2%	7.7%
In-house prepaid meter	78.1%	90%	84%
No access to electricity	4%	1.4%	2.2%
Other	1.5%	0.2%	1%
Solar home system	0.9%	0.7%	4.2%

(Source: 2016 Community Survey)

## 9.3 POPULATION AND EDUCATION

According to the 2016 Community Survey data, Khâi-Ma Local Municipality has a total population of 12 334 people. Most of the population in the municipality 89% are coloured, 7% are white, 3% are black African, with Indian or Asian making up the remaining 1% (see Figure 3) for a comparison with Nama Khoi and Namakwa). Nama Khoi Municipality has a total population of 46 513 of which 93% are Coloured, 6% are white, 1% are black African (see Figure 3).

**Figure 3: Population groups presented in percentages**



(Source: 2016 Community Survey)

In terms of education levels in Khâi-Ma Local Municipality, it is estimated that of those aged 20 years and older, 7% have completed primary school, 50% have some secondary education, 23% have completed matric and 4% have some form of higher education. Of the mentioned age group, 3% have no form of schooling (see **Table 9**).

In Nama Khoi Municipality of those aged 20 years and older, 9% completed primary school, 44% have some secondary education, 26% completed Grade 12, 5% have some form of higher education and only 1% have no schooling (see **Table 9**).

**Table 9: Education levels**

Electricity source	KMLM	NKLM	Namakwa
<b>None</b>	3%	1%	4%
<b>Other</b>	1%	0%	0%
<b>Some primary</b>	11%	12%	13%
<b>Primary</b>	7%	9%	8%
<b>Some secondary</b>	50%	44%	40%
<b>Grade 12 (Matric)</b>	23%	26%	27%
<b>Undergraduate</b>	3%	3%	3%

<b>Post-graduate</b>	1%	2%	2%
<b>n/a</b>	1%	3%	3%

(Source: 2016 Community Survey)

The educational statistics imply that there may be a low level of literacy in both Khâi-Ma and Nama Khoi, and therefore scope for the implementation of basic education and training programmes exist. As highlighted in **Table 9** above there is a low percentage of people with some secondary and even an even lower percentage people with a matric qualification. The educational levels of the populations should be increased as a priority. If not, the unemployed population will continue to be bypassed by employment opportunities due to a lack of the necessary skill and capacity, and unemployment will remain unchanged.

#### 9.4 EMPLOYMENT AND ECONOMIC ACTIVITY

**The last available detailed population census information is out-of-date, as it was published eight years ago, in 2011. Further, the census information does not fully reflect economic activity outside of formal employment. This is a particularly significant deficiency in areas where populations rely on various forms of agriculture and informal trading as part of their set of livelihoods activities.**

The main economic activities in Khâi-Ma and Nama Khoi are agriculture and tourism. According to the 2011 Census, in Khâi-Ma a total of 4 600 persons were employed. A total number of 1 304 were unemployed, and 322 were classified discouraged work-seekers. The overall unemployment rate recorded in this area was 22,1%, and youth unemployment rate was recorded at 23,6%.

In Nama Khoi there were a total number of 12 351 people that were employed, and 1 935 people were classified as discouraged work seekers. For this municipality, the unemployment rate was recorded as 22,9% with youth unemployment at 30,1% according to the Census 2011.

**Table 10: Status of employment**

<b>Employment Status</b>	<b>KMLM</b>	<b>NKLM</b>	<b>Namakwa</b>
<b>Employed</b>	4 600	12 351	33 684
<b>Unemployed</b>	1 304	3 665	8 471
<b>Discouraged Work Seeker</b>	322	1 935	4 040
<b>Not Economically Active</b>	2327	13 526	30 404

(Source: Stats SA 2011)

The socio-economic profile in terms of employment and unemployment of both municipalities is concerning. With the lack of employment, poor education levels and high poverty levels, there is a need to create sustainable initiatives which will lift and develop the local municipalities and population therein. There is a need in both Khâi-Ma and Nama Khoi for LED projects that promote the creation of employment opportunities and maximise the economic activity of people not employed in the formal sector. Thus, the primary focus of the SLP initiatives should be on job creation, skills development and stimulation of a diversity of economic opportunities outside the formal job market, accessible to all households.

## 9.5 INCOME LEVELS

As derived from **Table 11** below, a large portion of households received between R 9 601 - R 19 200 annually, i.e. R 800 – R 1 600 per month.

**Table 11: Income Levels**

Annual Income	KMLC	NKLM	NDM
R 1 - R 4800	1,7%	2%	3,1%
R 4801 - R 9600	6,7%	5,8%	8,3%
R 9601 - R 19200	40,9%	16,8%	23,7%
R 19201 - R 38400	13,9%	20,8%	18,2%
R 38401 - R 76800	9,5%	16,5%	14,1%
R 76801 - R 153600	12,1%	13,8%	12,2%
R 153601 - R 307200	6%	8,6%	7%
R 307201 - R 614400	1,7%	2,1%	1,8%
R 614401- R 1228800	0,2%	0,4%	0,4%
R 1228801 - R 2457600	0.1%	0,3%	0,3%
R2457601 or more	0%	0,2%	0,2%
No income	4,9%	8,4%	7,8%
Unspecified	2,4%	4,1%	2,9%

(Source: Stats SA 2011)

Using a global standard poverty line of less than \$1.90 per day (R29.08 per day or R872.4 per month or R10 490.4 annually as per the exchange rate on 14 August 2019), **about 8,4% of the individuals in KMLM, 7.8% in NKLM and 11.4% in NDM live below the poverty line.**

South Africa's food basket indicators in terms of what a family needs to achieve food security is tracked by Pietermaritzburg Agency for Community Social Action (PACSA). Food and living costs showed that the minimum income required to achieve a minimum acceptable level of nutrition (food costs only) was R3025.23 per month in August 2017 (PACSA). **This simply means that most people cannot afford to eat the required quantities and diversity of food to live a normal, healthy life.** Most of the households cannot eat what they need, and also underspend on the most basic livelihoods needs, not nearly affording the modest figures mentioned.

In the face of these realities, it is clear that South Africa's regulatory environment needs to incentivise the whole nation to help address hunger, poverty, inequality and joblessness. Despite major effort and expenditure by government and the private sector, the tide is not yet turning. Despite progress made by other countries worldwide in achieving Millennium

Development Goals (MDGs) 4, 5 and 6, (which includes child and maternal mortality), South Africa is experiencing a challenge in attaining positive outcomes for these goals. Malnutrition is one of five key contributors to 260 deaths daily, with 75 000 children not living to their fifth birthday. All five main challenges have poverty as the overarching cause. (Mulaudzi et al, 2016). The slow pace on these fronts and mounting desperation in the population has resulted in a cry for radical change – requiring review of policy instruments such as sector charters, SLPs, B-BBEE and initiatives in the Corporate Social Investment (CSI) sphere. Essential as such change is, it can also cause uncertainty and investor anxiety, to the detriment of economic growth which further erodes the resource base required to turn the tide.

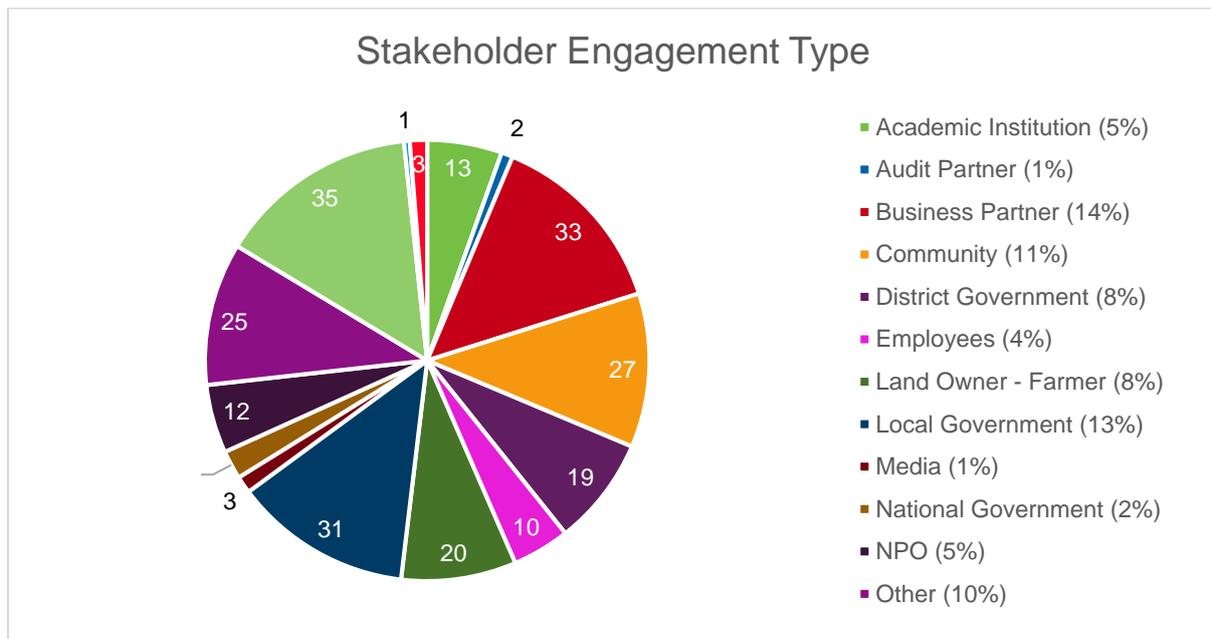
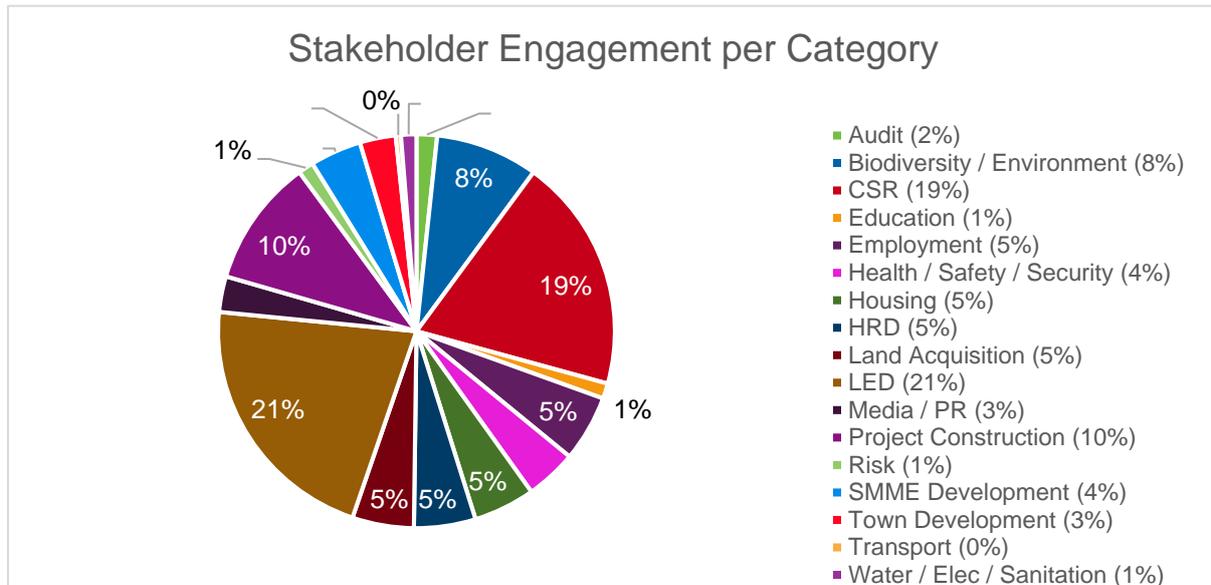
The low levels of permanent and reliable income amongst the district and local population, coupled with the high levels of unemployment, are indicative of a limited base of income-earning opportunities in other sectors of the economy outside core mining and manufacturing. This reinforces the need to increase the educational and skills levels of much of the population, who currently can perform only elementary or semi-skilled tasks, by supporting a strong local economic development drive focusing on enterprise creation and the development of sustainable livelihoods for rural communities. However, given the low skills base and education levels of most people, skills development programmes have to be implemented in order to allow impoverished households to have a chance at gaining meaningful employment in the higher-income-earning sectors of the economy.

## 10 STAKEHOLDER ENGAGEMENT APPROACH

### Regular Formal Stakeholder Engagements by BMM

The graphs below summarise the key stakeholder engagements (Forums meetings, informal group meetings, one-on-one meetings) attended by BMM over the past 12 months, where social and economic needs were raised and discussed. The 12-month period reflected 239 recorded engagements.

**Figure 4: Stakeholder engagement analysis graphs**



**Community engagements for the purpose of Local Economic Development Project Implementation:**

Preparation for implementation of the Broad-Based Livelihoods Programme (a committed SLP project) involved consultations with community and municipal leadership to obtain endorsement and support of the programme. During these engagements, key socio-economic challenges were raised and discussed in light of the principles, design and content of the BBL Programme.

The following tables summarise the community engagements with each of the 4 target communities of the LED BBL Programme (i.e. Witbank, Pofadder, Pella, Onseepkans).

**Table 12: Summary of Community engagements**

Engagement	Issue/Purpose	Outcomes/Status
<b>WITBANK</b>		
<p>BBL programme preparation: Consultation of residents, informal interviews, on-site scoping of livelihoods activities (23 Jan '19)</p> <p>Announcement Meeting and Learning Session 1 with Witbank at the community hall (28 Jan '19).</p> <p>Learning Session 2&amp;3 –(Mar '19)                      Learning Session 4 – (April '19)                      Learning Session 5 – ( May '19)                      Learning Session 6 – (June '19)                      Learning Session 7 – (Aug '19)                      Also: mentoring &amp; monitoring home visits on record = 18 to date</p>	<p>Local contextualisation of BBL and mobilisation of residents for participation                      Formally introduce the BBL programme.                      Present the BBL programme components.                      Present the BBL programme rollout plan and schedule.                      Obtain buy-in from community stakeholders to implement the BBL programme in their respective areas.</p> <p>Theory and practical learning and implementation, including:                      Nutrition for health                      "Helicopter Planning" for optimal use of household yard for production.                      Deep-trenching methods for fertile vegetable gardening beds.                      Cultivation and plant protection methods;                      Water wisdom: preservation and minimum water use methods.                      Vegetable tunnel construction, etc.</p>	<p>Good fit and acceptance achieved of BBL to local context                      Successful introductory community meetings.                      Buy-in received from community stakeholders to allow the BBL programme to be implemented in their areas.                      Enthusiastic participation in BBL Learning Sessions to date                      Many households have already implemented what they have learnt through BBL                      Many are harvesting and eating their own production                      Many have qualified for vegetable tunnels and have already received, constructed and planted in their tunnels                      Some participants are already teaching friends and neighbours                      Total people attended (Sessions 1 – 4): 133 people.</p>
<b>PELLA</b>		
<p>BBL programme preparation: consultation of residents, informal interviews, on-site scoping of livelihoods activities (23 Jan '19)</p> <p>Announcement Meeting and Learning Session 1 with Pella at the community hall (29 Jan '19).</p> <p>Learning Session 2&amp;3 –(Mar '19)                      Learning Session 4 – (April '19)                      Learning Session 5 – ( May '19)                      Learning Session 6 – (June '19)                      Learning Session 7 – (Aug '19)                      Also: mentoring &amp; monitoring home visits on record = 67 to date</p>	<p>Local contextualisation of BBL and mobilisation of residents for participation                      Formally introduce the BBL programme.                      Present the BBL programme components.                      Present the BBL programme rollout plan and schedule.                      Obtain buy-in from community stakeholders to implement the BBL programme in their respective areas.</p> <p>Theory and practical learning and implementation, including:                      Nutrition for health                      "Helicopter Planning" for optimal use of household yard for production.                      Deep-trenching methods for fertile vegetable gardening beds.                      Cultivation and plant protection methods;                      Water wisdom: preservation and minimum water use methods.</p>	<p>Good fit and acceptance achieved of BBL to local context                      Successful introductory community meetings.                      Buy-in received from community stakeholders to allow the BBL programme to be implemented in their areas.                      Enthusiastic participation in BBL Learning Sessions to date                      Many households have already implemented what they have learnt through BBL                      Many are harvesting, eating and even selling their own production                      Many have qualified for vegetable tunnels and have already received, constructed and planted in their tunnels</p>

	Vegetable tunnel construction, etc.	Some participants are already teaching friends and neighbours Total people attended (Sessions 1 – 4): 133 people.
<b>ONSEEPKANS</b>		
<p>BBL programme preparation: consultation of residents, informal interviews, on-site scoping of livelihoods activities (25 Jan '19)</p> <p>Announcement Meeting and Learning Session 1 with Onseepkans at Sending, Melkbosrand and Viljoensdraai (30 Jan '19).</p> <p>Learning Session 2&amp;3 –(Mar '19) Learning Session 4 – (April '19) Learning Session 5 – ( May '19) Learning Session 6 – (June '19) Learning Session 7 – (Aug '19) Also: mentoring &amp; monitoring home visits on record = 67 to date</p>	<p>Local contextualisation of BBL and mobilisation of residents for participation Formally introduce the BBL programme. Present the BBL programme components. Present the BBL programme rollout plan and schedule. Obtain buy-in from community stakeholders to implement the BBL programme in their respective areas.</p> <p>Theory and practical learning and implementation, including: Nutrition for health "Helicopter Planning" for optimal use of household yard for production. Deep-trenching methods for fertile vegetable gardening beds. Cultivation and plant protection methods; Water wisdom: preservation and minimum water use methods. Vegetable tunnel construction, etc.</p>	<p>Good fit and acceptance achieved of BBL to local context Successful introductory community meetings. Buy-in received from community stakeholders to allow the BBL programme to be implemented in their areas. Enthusiastic participation in BBL Learning Sessions to date Many households have already implemented what they have learnt through BBL Many are harvesting, eating and even selling their own production Many have qualified for vegetable tunnels and have already received, constructed and planted in their tunnels Some participants are already teaching friends and neighbours Total people attended (Sessions 1 – 4): 133 people.</p>
<b>POFADDER</b>		
<p>BBL programme preparation: consultation of residents, informal interviews, on-site scoping of livelihoods activities (24 Jan '19)</p> <p>Announcement Meeting and Learning Session 1 with Pofadder at the community hall (31 Jan '19).</p> <p>Learning Session 2&amp;3 –(Mar '19) Learning Session 4 – (April '19) Learning Session 5 – ( May '19) Learning Session 6 – (June '19) Learning Session 7 – (Aug '19) Also: mentoring &amp; monitoring home visits on record = 25 to date</p>	<p>Local contextualisation of BBL and mobilisation of residents for participation Formally introduce the BBL programme. Present the BBL programme components. Present the BBL programme rollout plan and schedule. Obtain buy-in from community stakeholders to implement the BBL programme in their respective areas. Theory and practical learning and implementation, including: Nutrition for health "Helicopter Planning" for optimal use of household yard for production. Deep-trenching methods for fertile vegetable gardening beds. Cultivation and plant protection methods; Water wisdom: preservation and minimum water use methods. Vegetable tunnel construction, etc.</p>	<p>Good fit and acceptance achieved of BBL to local context Successful introductory community meetings. Buy-in received from community stakeholders to allow the BBL programme to be implemented in their areas. Enthusiastic participation in BBL Learning Sessions to date Many households have already implemented what they have learnt through BBL Many are harvesting, eating and even selling their own production Many have qualified for vegetable tunnels and have already received, constructed and planted in their tunnels Some participants are already teaching friends and neighbours</p>

### **Recent engagements with Livestock Farmers and key stakeholders:**

During August 2019, separate one-day workshops were held with the livestock farmers of each of the four villages with participation as follows; Pofadder: 45 farmers; Onseepkans: 25 participants; Pella: 105 participants; Witbank: 12 participants. Through participatory techniques such as visual gathering and small group discussions, the livestock farmers were facilitated to identify key challenges and their root causes, and then they generated possible solutions. The farmers then identified aspects they could address themselves without waiting for outside assistance, and possible networks for collaboration to achieve the remaining aspects. These results provide a good foundation to plan suitable interventions to build on an important existing economic activity in these communities. This is an ongoing process for participatory planning with the farmers for implementation of improved livestock profitability and sustainability.

### **Specific SEBS engagements:**

During July 2019 both Khâi-Ma and Nama Khoi were visited to conduct stakeholder engagement sessions. Data were collected through focus group discussions and one-on-one interviews. Furthermore, for the stakeholder engagements sessions Umsizi made use of purposive and snowball sampling. A purposive sample is a non-probability sample selected based on characteristics of a population and the objective of the study. Purposive sampling targeted key informants and role players from various sectors within the different targeted communities. The different key informant groups were municipal officials, school principals, clinic staff, small business owners, and community household members. The sampling strategy also made use of snowball sampling. Snowball sampling is a method to identify the cases in a network (Neuman 2003: 214). In other words, the fieldwork started with an initial discussion and from that discussion other contacts, referrals and networks resulted into more discussions.

When selecting the research participants, the following is advised (Babbie & Mouton 2001: 288): enculturation, current involvement and adequate time. The stakeholder engagements followed these criteria when participants were selected. This means that the research participants that took part in the stakeholder engagements sessions were well-informed, active members in the field and were willing to make the satisfactory time available. In the end, discussions were held with municipality members, key informants like school principals, social workers and nurses as well as residents of villages. This wide range of sampling allowed to incorporate the views and experiences of an extensive range of participants. Together, these views gave insight into socio-economic issues of BMM's sphere of operation. During the interviews detailed notes were written down.

Questions specifically targeting the socio-economic circumstances and needs and challenges within each community were asked. The aim was to gain an understanding of the social environments of each municipality to inform the socio-economic baseline study.

For the data analysis, thematical analysis was used. This means that the findings of the stakeholder engagement sessions are presented in this report as themes.

### **Limitations of The Stakeholder Engagement Approach**

Umsizi experienced minor constraints during the survey which did not significantly affect the results. However, a limitation of this study is as follows:

- A general limitation with fieldwork, particularly when it is undertaken during the week, is that the sample can inadvertently include a higher number of those unemployed whilst those employed and at work will not be sampled. However, with the inclusion of small business owners, school and clinic staff, Umsizi does not believe this was a significant limitation, especially as responses around services available or needed are not likely to be different between unemployed or employed individuals.
- Consultation fatigue. It was made known to the fieldworkers that they are being engaged regularly by consultants, the government, and IPPs to discuss their needs and issues. Some residents felt fatigued by the number of consultation and expressed an urgency to begin seeing implementation and change.

## **11 STAKEHOLDER ENGAGEMENT FINDINGS IN KHAI-MA**

During July 2019 Pella, Onseepkans, Pofadder and Witbank were visited to conduct fieldwork for BMM's socio-economic baseline study. Focus group discussions and one-on-one interviews were conducted in all four villages. In total, 92 research participants took place in focus group discussions and/or individual interviews. The breakdown is as follows: Pella: 22 participants; Onseepkans: 24 participants; Pofadder: 27 participants; Witbank: 19 participants (see Annexure B for attendance registers). The participants that took part in these discussions were mostly residents of the villages and key informants such as school principals, clinic nurses, social workers and teachers. From these discussions, certain themes were derived and are as follows:

- Challenges and needs in villages
- The youth
- Training needs

In addition to the community stakeholder engagements, a stakeholder meeting was held between Khai-Ma Local Municipality (Khai-Ma) Representatives, Umsizi representatives and BMM on the 13<sup>th</sup> of August 2018 (see Annexure C for the attendance register). The purpose of the meeting was to identify developmental priorities for mine communities. This is also in compliance with the Mining Charter III (September, 2018). The Charter stresses the necessity to engage meaningfully with the relevant municipalities. Certain key LED points were raised during this engagement (see Annexure D for the meeting memo). The socio-economic issues raised during this session support the themes of the community stakeholder engagement

sessions. The themes that were uncovered during the fieldwork are discussed in more detail below. Reference is also made to the municipality session, to support the evidence.

## **11.1 CHALLENGES, NEEDS AND OPPORTUNITIES IN VILLAGES**

### **11.1.1 Unemployment**

The high unemployment rate was mentioned in all four villages. Participants explained that in order to become employable, people need work experience as well as a certificate of the relevant course completed. Many young people have a matric certificate but still cannot find work. All participants reasoned that skills training was most needed to curb unemployment. However, the PGDP recognises that misalignment of skills development programmes has resulted in oversupply of people with general skills and undersupply of scarce skills. It therefore calls for skills development to be aligned to available career paths and potential economic opportunities.

More than once, the issue regarding obtaining a driver's license was mentioned. Participants said that a driver's licence course will help them in finding a job, since many job vacancies require a driver's licence as a precondition to apply.

Furthermore, some locals mentioned that the mine employs contractors from outside the region and not from a local pool of people.

Participants from Pofadder mentioned that favouritism and nepotism occur in the local municipality, and that this needs to be investigated and stopped. They explained that the municipality 'looks at who you are' and if they don't like you, you don't get a job. Or if you are not from the 'right' family the municipality will not consider your job application.

It was mentioned that poverty alleviation projects and skills development programmes are needed to curb youth unemployment. Such initiatives should be developed from the bottom up and must involve the beneficiaries of the programmes themselves.

It remains a stark reality that not enough jobs are being created in the formal sector to absorb those who are unemployed. It is thus imperative to capitalise on opportunities in the informal sector to maximise opportunities for residents to be economically active.

### **11.1.2 Economic activity outside the formal job market**

It is a stated objective of the PGDP to stimulate circular economy in the Northern Cape to retain wealth in the area to grow the economy. This recognises the tremendous possibilities for local economic growth when the habitual outflows of cash from households, villages and the region can be curbed by stimulating local production and expenditure patterns.

However, as in most of South Africa, no representative statistics are available on economic activity outside the formal job market in this region. We have also not been able to obtain any systematic analysis of the overall potential, or of the constraints that could be addressed to

maximise the contribution of this sector to the local economy, livelihoods and well-being of families.

In the Khai-Ma communities, Agriculture and Tourism are two of the dominant economic activities with significant scope outside the formal job market, and which hold significant potential for improved inflows of cash directly into households in these communities. There is significant existing activity in both these sectors, and with room for improvement and expansion.

#### **11.1.2.1 Livestock potential for broad-based economic activity**

For instance, the current livestock ownership in the Khai-Ma commonages is equivalent to almost 36 000 Small Stock Units (6 SSU = 1 LSU; i.e. 6 adult goats or sheep is taken to be equivalent to one adult cow). Taken at R500/SSU this is a capital asset of R18m, with potential for double that value if quality targets could be achieved once the drought has broken. These assets are owned by more than 300 owners, with 65% (about 200) of the farmers owning 21% of the total stock, at less than 15 LSU equivalent each.

There is overstocking and overgrazing, exacerbated by the sparse distribution of livestock drinking points, meaning that large areas cannot be grazed optimally, because it is impossible for animals to walk that far in a day and return to drink. Addressing the livestock drinking water problem, presents a major opportunity for local economic growth through improved and more sustainable utilisation of natural resources.

#### **11.1.2.2 Own fodder production to support the livestock economy**

The area is drought prone and in some parts of the province this is expected to get worse with climate change (PGDP, 2017). These communities have had a history of own fodder and crop production along the banks of the Orange River, a tradition which was eroded when infrastructure washed away during flood events decades ago. It is unaffordable for poor communities to rebuild the irrigation canals and headworks needed to reinstate this productive potential. Local fodder production is a potential game changer for the agricultural economies of Khai-Ma, not only as a powerful drought-proofing strategy, but also to enable a strong market-oriented production system by commonage farmers. This would result in regular and significant cash inflows into the poorest communities in the region.

##### **11.1.2.2.1 *Market development to capitalise on livestock and vegetable production***

At present, small livestock farmers are underserved by market systems. All too often, small owners are forced by personal crises (such as immediate cash needed to get a sick child to the doctor in Pofadder), into grudge sales of animals at prices as low as R80 per animal (against a potential R1000 for the same animal at the right condition and timing).

A key outcome of BMM's Broad-Based Livelihoods participatory livestock workshops in August 2019, was strong consensus among Khai-Ma livestock farmers for the establishment

of a regular auction event at Pofadder, to draw buyers from across the country at key times in the year when prices are most favourable (e.g. Easter, end of Ramadan, Christmas, etc). Good viability is expected, based on the available livestock numbers among commonage farmers alone, and which gets even better considering additional stock from commercial farmers within the potential target radius. Investment in auction infrastructure in Pofadder presents a serious opportunity to stimulate broad-based economic activity outside existing formal job markets.

Through the BMM Broad-Based Livelihoods MyFood programme, there are already about 50 active vegetable producers in Pella, with smaller numbers in the other villages. Some growers are selling in their communities, and the production is developing into potential for organised vegetable sales to outlets outside the communities. Further diversification and value-adding will increase the influx of money into the area.

### **11.1.2.3 Enhancing tourism and other current local businesses for broad-based economic activity**

Current small businesses, including Tourism-related initiatives in the Khai-Ma villages, are virtually invisible to visitors, as hardly any of them are listed on Google Maps and other modern day electronic business networking platforms. The scope for cultural tourism is well-recognised and would form an important part of the overall vision for Khai-Ma.

The influx of cash through local participation in various aspects of broad-based economy, as well as increased visitor numbers through tourism, would create additional business opportunities for existing and new local businesses. Add to this the expected increase in local employment in the next phases of BMM development, and the scope for a better future becomes tangible – provided the development approach is purposefully inclusive through broad-based approaches.

### **11.1.2.4 Bricks and building materials for BMM housing**

Local broad-based production of bricks and building materials for the envisaged construction of housing for BMM employees presents a particularly attractive opportunity. A repetition of the painful history of the failed brick-making project can be neatly sidestepped by encouraging and skilling up multiple producers to produce high quality bricks at their own pace and premises.

### **11.1.2.5 Turning problems into opportunities?**

The reader is invited to consider the opportunities for broad-based economic activity that can arise from many of the social problems listed below. For instance: a local creche needs toys? A local resident can make them; and instead of buying toys in the cities and sending them as a gift, churches and other potential donors can be invited to buy them locally; this could include a standing invitation to international and South African visitors to BMM and IPP sites.

### **11.1.3 Alcohol, Drug, Child and Women Abuse**

Alcohol and drug abuse were mentioned as being a major issue in the region. The issue came up during several focus group discussions and during one on one interviews in all four villages.

Participants mentioned that intervention programmes are needed to curb the alcohol and drug abuse in the area. It was further recommended that a recreational facility with recreational activities is needed – this will, according to the participants, curb the alcohol and drug abuse.

In Pofadder participants explained that elders in the community need a safe place to stay, as they are currently being targeted for abuse by those who are using drugs. People mentioned that a rehabilitation centre for the youth is needed. It was also mentioned that intervention programmes are needed for drug and alcohol abuse. Participants said that since alcohol and drug abuse are so high, programmes addressing violence against women and children are also needed in the community as well as programmes to support parenting skills.

During the engagements in Onseepkans, locals explained that children are at risk because of alcohol and drug abuse in the area. Child and women abuse were also mentioned as core issues in communities. Also, participants said that women empowerment programmes are needed.

Development in this region is challenged by a lack of institutional capacity but also by the gross occurrence of hopelessness and social ills like those mentioned above, namely alcoholism, drug abuse and child and women abuse. It is imperative to address the poor community capacity to enable people to capitalise on the developmental opportunities as set out in the IDPs and region framework documents.

### **11.1.4 Child Safety Needs**

As indicated, closely linked to the issue of alcohol and drug abuse is the matter of child safety. Concerns around the safety of children was mentioned in Pella, Onseepkans and Pofadder. In most cases the issue of child safety and abuse were linked to drug and alcohol abuse.

In Pofadder, it was also mentioned that child neglect and child abuse are massive problems in the community and that there is no safe house in Pofadder. It was explained, by staff members from the Department of Social Development, that they have no safe house to place children when this is needed.

In Pella, participants mentioned that streetlights are needed to secure the safety of children during night-time. The issue of child safety came out more than once during the Pella discussions. It was also mentioned that the safety of children is at risk due to the high level of alcohol consumption in the community - confirming once again the link between alcohol abuse and child abuse.

### 11.1.5 Education

Bullying in the schools was mentioned on several occasions as a problem, specifically in Onseepkans and Pella. The matter of absenteeism was also mentioned more than once as a problem in all four villages.

Also, the Onseepkans school bus was mentioned as a challenge. It was explained that when it breaks down the school children stay at home and fall behind with the school curriculum.

Through the engagements in Witbank it came evident that the primary school in Witbank needs support. It was said that photocopying paper and educational toys and books are needed. Furthermore, it was also mentioned that more teachers are needed, especially for the Grade 1 class. Currently the entire primary school (Gr 1 – 6) are in three different classes.

It was also further explained that the primary school only goes to Grade 6. Which means that a Grade 7 pupil needs to travel to Pofadder to continue his/her schooling. It was further explained that this is a problem since children must go to boarding school in Pofadder at a very young age. This is leading to many children dropping out of school at a young age, the participants reasoned. It was also mentioned that teachers do not stay long in Witbank, and every two years the school gets a new teacher. All teachers as well as the principal are from 'outside' and not local people. Lastly, there is also a creche in Witbank. The creche is run by a local lady who is employed by the government. Participants mentioned that she needs support in training as well as educational tools and material.

Teachers of Feetjijland creche in Pella mentioned that they need some equipment such as educational toys, chairs, educational books and learning material.

### 11.1.6 Health

Health challenges were mentioned in all four villages. The clinic in Onseepkans-Sending is understaffed and understocked. It was also explained, by the participants, that the clinic is designed in such a way that there is no privacy. This is problematic since the HIV/Aids rate of the Onseepkans community is the highest in the Northern Cape province, according to the participants. The locals said that the moment one walks into the clinic, that person is stigmatised. Participants also said that those who are HIV/Aids positive do not take full responsibility for their status. HIV/Aids, coupled with alcohol abuse in the community, causes a further spike in the incidence of HIV/Aids. It was added that an ambulance is needed in Onseepkans – there is currently no ambulance in operation. Participants also suggested that there is a need for a mobile clinic in Melkbosrand and Vildjoensdraai since the nearest clinic is in Sending (which is 5km) away. The participants explained that this distance, when walked, becomes problematic when one is old or has a child who is sick.

In Witbank, participants mentioned that they need an ambulance, since the area is so remote and isolated. It was further mentioned that if there is an emergency the residents must hire a vehicle at the cost of anything between R800 – R 1500 to go to Pofadder (approximately 90km from Witbank) where there is a hospital. It was also mentioned more than once that there is a lack of overall health services at the clinic in Witbank. It was explained that although there is

a clinic, a nurse only comes once or twice a month. A major concern is that the clinic has no electricity. Also, there are currently water tanks put up next to the clinic, but participants explained that this water project was left unfinished. It is important to finish the installation and water pipe connections so that the clinic has its own water supply. This is crucial because if the local water pump which supplies water to Witbank breaks, the clinic has no water too.

As for Pella, participants mentioned that an ambulance is needed there as well. Currently, they must wait for the ambulance to travel from Pofadder.

Residents of Pofadder explained that the hospital is understaffed, and medicine is not always available.

### **11.1.7 Transport**

Transport was mentioned as a general issue in all four villages. In Pella, participants explained that Springbok is the closest primary town that the locals of Pella go to in order to obtain their food and household basic necessities. The residents of Pella indicated that they spend a lot of money on local transport and in the end, they are left with little of their initial salary or social grant to buy much needed items or food.

In Onseepkans, participants indicated that their main challenge is the lengthy gravel road that one needs to travel to get to Onseepkans. It was also reasoned that a tar road would increase the amount of people travelling to Onseepkans since the town is situated next to a border post. In the same breath, some participants mentioned that they feel that no one knows about the town, and that they have a lot to offer and a lot of potential in terms of tourism activities. This potential can only develop if more people were to frequent the town. On the matter of the gravel road, the participants suggested that a multi-stakeholder approach should be taken to address the matter. It is not expected that the mine should carry all the costs but a partnership between government and all private sector players in the district should be established to carry the cost, participants explained.

Transport in general was mentioned as a major problem in Witbank. The village is only accessible by a gravel road of approximately 90km, the nearest town being Pofadder.

The people of Pofadder said that transport is a huge problem since it is so expensive. They said that local people need to travel to do their shopping in Springbok (165 km away), which is too great a distance to be viable or sustainable.

### **11.1.8 Housing**

Housing was mentioned as an issue in Onseepkans, Pofadder and Witbank. Participants from Onseepkans explained that it is challenging to build or to rebuild your house with the limited housing or building materials available. Other challenges faced when building material is required are limited and expensive means of transport, and the gravel road.

Participants said that housing is a problem in Pofadder. Sanitation is another problem. Several houses do not have flush toilets and must use pit toilets. It was also mentioned that some houses do not have any electricity or water.

In Witbank it was mentioned that housing for teachers is a problem. Teachers do not have proper housing or proper furniture.

Important to note is that the matter of housing was also raised during the municipality session. It was mentioned that Khai-Ma municipality wants BMM to construct homes, infrastructure and services in Pofadder and Pella for the expansion phases of BMM. Also, Khai-Ma municipality indicated that people are grossly defaulting on payments for water, lights, rates and taxes, and this has resulted in the municipality being almost bankrupt.

### **11.1.9 Elderly Care and Safety**

During discussions with the residents of Pella the need for a care centre for the elderly was mentioned. In Pofadder the same issue was mentioned. Participants explained that the elders in the community need a safe place to stay, as they are currently being targeted by those who are using drugs.

#### **11.1.10 Water**

In Witbank it was mentioned that the local water pump needs an upgrade. The water pump supplies water to the entire Witbank and breaks occasionally. This leaves the community without any water until the pump gets fixed. This water issue has an impact on the local clinic too (see point 12.1.5 - Health).

During the Pella discussions, some participants indicated that they need assistance with water in terms of their agricultural activities. It was explained that water points are needed for them to continue farming.

In general, water is the one of the biggest challenges in the communities, and grossly limits any productive economic activity.

#### **11.1.11 Other remarks**

In Onseepkans several residents mentioned that the border post closes at 16:30, therefore there is an opportunity to develop Onseepkans (specifically Sending) as a place to offer overnight accommodation for tourists.

In Pella a pressing matter is the fact that there is no ATM. Residents explained that it costs them a lot of money to travel to go and withdraw money. The nearest ATM is in Pofadder (40km away).

In Witbank people say they feel isolated and trapped and that they are not keeping up when it comes to technology and other beneficial advances. The librarian of Witbank also mentioned how poorly stocked the library is, and that they need new books to be circulated.

## 11.2 THE YOUTH

The issue around youth development and youth unemployment was mentioned on numerous occasions in all four villages (also see point 12.1.1 - Unemployment). In all four villages the needs for a recreational facility and recreational activities were mentioned to develop the youth. It was also reasoned that such initiatives would help keep them from abusing alcohol and drugs.

It was further stated in all four villages that art and cultural activities should be put in place to support youth development. In Onseepkans, it was mentioned that indigenous cultural activities should be supported, such as the Nama dances. It was said that cultural activities, such as a youth choir, needs to be promoted. Some participants reasoned that cultural activities could serve as a motivator for the youth to engage less in alcohol and drugs. It was further said that sport activities could also inspire the youth.

Participants said that skills development initiatives, aimed at the youth specifically, should take place. It was also mentioned that business developmental skills and/or entrepreneurial skills are needed to curb youth unemployment.

In Pella the youth mentioned that they would like to be supported in matric classes. They said that some of them do not have a matric certificate and a lot of opportunities bypass them because of this. They indicated that some sort of matric bridging programme in Pella could empower them to 'move on'.

In Witbank it was mentioned that the youth do not want to stay in Witbank, therefore strategy is needed to make it more attractive for them so they can stay and plough back into their hometown.

Since teenage pregnancies are a reality in these rural communities, it was mentioned that developmental and support programmes are needed for the youngsters who have children of their own.

The need for skills development, especially for the youth, was also raised during the municipality session. The municipality acknowledged that there was a high drop-out rate of people from skills training programmes, citing lack of mentorship as one possible factor. According to the 2016 Community Survey data, Khâi-Ma Local Municipality has a total population of 12 334 people and Nama Khoi Municipality has a total population of 46 513. Given the expansion of BMM and the future skills needed, it was suggested that BMM needs to focus its skills development initiatives in Khai-Ma, Nama Khoi and the District area in order to meet its future labour and skills requirements.

### 11.3 Training Needs

The matter of training was frequently mentioned to address some of the challenges (as discussed under point 11.1.1 - Unemployment). Several training interventions were suggested by participants across the four villages and are as follows:

In Onseepkans, participants suggested that they could learn certain skills like needle work, or any skill that is related to their existing creative talents. These talents can be unlocked and developed by supporting programmes. Also, participants mentioned that occupational skills development is needed. Specifically, the locals said that they can be trained as operators in order to perform mining jobs.

In Pella, learnerships (Portable economic skills) were suggested as a possible way to curb unemployment. This avenue was suggested in order to give the people of Pella the much-needed work experience that is required for applying for vacancies. A focus group discussion with a youth group between the ages of 22 – 29 years indicated the same about learnership. The youngsters mentioned that boiler-making courses could be something in which they are interested, and that this may perhaps generate work for them.

In Pella and Pofadder, agricultural development and training were mentioned as a possible way to curb unemployment. Participants also mentioned that business and/or entrepreneurial workshops are most needed in the community, and that this could help to resolve the issue of unemployment in the community. Since there is Wi-fi available in Pella, the participants mentioned that online courses (accredited courses) could also be helpful in terms of 'gearing them up' and empowering them. Participants mentioned that cooking classes may also be a viable initiative to explore. They reasoned that this would empower women to start small catering businesses. Participants said that there are a lot of people in Pella with creative skills, but these talents need to be further developed. It was suggested that creative support should be provided to cultivate and such talents and skills so that residents could excel. The matter of creativity and programmes to nurture creative talents was in fact mentioned in all four villages.

Furthermore, in Pella, participants mentioned that computer classes were needed in the community. In addition, the participants said that learners and drivers licence classes are needed. Many of the locals do not have drivers' licences and must therefore make use of public transport, which is costly. Owning one's own vehicle is near impossibility for the majority of Khai-Ma residents.

In Witbank participants mentioned that they can be skilled up with training to become employable by the mine on a contract basis or permanent basis. Participants mentioned that training (for example vocational training) is needed in the community. They mentioned that Technical and Vocational Education and Training (TVET) is currently going on in Okiep but they find Okiep too far to attend training and it is expensive to travel to Okiep (172km from Pofadder). It was also revealed that post-mining jobs are needed to gear up the community for mine closure. Participants mentioned that a diversity of skills are needed for after the mine closure.

The matter of training was also raised during the session held with the municipality. Training in terms of personal development was identified as a need through community workshops, as facilitated by the municipality. The communities requested guidance in terms of vision-building, career, personal and spiritual development. Such programmes should focus especially on the youth, so that they could develop “Life Plans” with direction and purpose, and understand how skills, entrepreneurship and livelihood development interventions fit into creating a better future for all.

## **12 STAKEHOLDER ENGAGEMENT FINDINGS FROM NAMA KHOI LOCAL MUNICIPALITY & NAMAKWA DISTRICT MUNICIPALITY**

During the month of July 2019, stakeholder engagement sessions were held with the municipal officials of Nama Khoi local municipality and Namakwa district municipality (see Annexure E for the attendance register). The discussions with the local and district municipality officials were aimed at gaining an understanding of the needs of the municipality as well as the needs and challenges faced by the surrounding community (see Annexure F for the meeting memo). The engagements resulted in the formation of proposed initiatives by the Nama Khoi and Namakwa district municipality, respectively. These initiatives, as identified by the municipality themselves, are an answer to the challenges faced by the municipality and community. The proposed initiatives are presented and discussed below.

### **12.1 PROPOSED INITIATIVES FROM STAKEHOLDERS**

#### **12.1.1 Renewable Energy**

In Nama Khoi’s IDP it is stated that since the region is exposed to year-round sunlight, alternative solar energy projects should therefore be investigated and embarked upon in order to reduce the reliance on the grid system. It is also indicated in the IDP, that potentially high wind energy generation zones have been identified around Springbok. These areas should be investigated for the development of wind farms.

During consultations with the stakeholders these proposed IDP initiatives were once again mentioned. A potentially high solar energy generation zone has been identified parallel from the coast, eastward from Buffelsrivier. This area should be investigated for development of solar farms. Furthermore, the expansion of the Solar Corridor along N14 (as indicated in the Namakwa SDF) should be investigated.

#### **12.1.2 Mining Beneficiation**

Nama Khoi is subject to mining activities and could possibly provide artisanal mining and small-scale mining beneficiation opportunities for residents. This needs to be investigated. During the stakeholder engagement sessions, it was mentioned that granite should be a

specific focus. There is also discussion of the potential to establish a mineral hub to facilitate beneficiation.

### **12.1.3 Agriculture**

#### **12.1.3.1 Broad-Based Livelihoods Programme**

On the theme of agriculture, it was requested during the consultative sessions that the Broad-Based Livelihood (BBL) programme that is currently offered by BMM through Umsizi, should be rolled out to Nama Khoi communities. The proposal will be considered in line with the budget for the new SLP.

#### **12.1.3.2 Namakwa Irrigation Development**

The entire Nama Khoi region can be classified as a “water scarce” area. It is therefore pivotal to continue the current investigations into the water supply from the Orange River and to restore the irrigation systems in Goodhouse for local beneficiation. Participants also mentioned the settlements Henkries, Kabis and Abbasas to form part of the Namakwa irrigation development. Raisins, dates and lucerne could be planted in all four settlements. It was further indicated that an agricultural training academy could be established in Henkries. The academy could, among other things, assist farmers in terms of a marketing strategy and the identification of potential investors.

#### **12.1.3.3 Marine Aquaculture Development**

Since Nama Khoi borders the West Coast, there is great potential for a marine agricultural farming activities, including abalone, oysters and mussels. Potential farmers would need to obtain fishing rights, identify potential stakeholders for investments and establish a market strategy. A hub to support marine aqua-cultural farming is being investigated.

### **12.1.4 Industrial Park**

During the session, stakeholders raised the need for support of the industrial park. It was explained that Nama Khoi plans to establish business incubators and a multi-skills development park and industrial development parks. It was explained that Nama Khoi will make the land available and has requested BMM to establish this as one of its key LED projects. It was clarified that the industrial park could provide support and the much-needed assistance for small enterprises and informal traders to do business.

### **12.1.5 Skills Development**

According to the 2018/2019 IDP, there is a need to develop a new integrated educational, capacity building and skills development strategy. This skills development strategy should be for the short and longer term to address the current and future development needs. The strategy should also speak to the expansion of educational and training facilities in the Nama Khoi region, in terms of the SDF.

Furthermore, the IDP states it is necessary to develop properly equipped and well-designed training centres, schools and educational facilities where the need exists. These facilities must cater for the educational and skills development needs in the area, including the needs of schoolchildren, adults, and the unemployed.

During the consultation session with the municipalities it was mentioned that there is a great need within the region for post-matric skills development, bridging courses and the creation of alternative economic opportunities. It was also further mentioned that capacity building for the municipality is required. More specifically, the stakeholders mentioned that the Khai-Ma staff needs development for the take-on of Aggeneys, and technical skills development is necessary for Nama Khoi for ongoing infrastructure development and maintenance.

#### **12.1.6 Health Facility**

During the engagements, participants mentioned that a health care facility is needed in Steinkopf, Nama Khoi. It was said that a hospital is needed in this village since there is no health care facility in the area.

#### **12.1.7 Okiep Sport Facility**

During the engagements Umsizi had with the stakeholders, the participants mentioned that residents of Okiep have identified the need for good quality recreational facilities. Possible sites for these facilities should be identified. In general, it is important to renovate and upgrade old and dilapidated structures in order to improve the overall image of the settlement area. In addition, a key focus should be the construction of a pavilion.

#### **12.1.8 Fire and Disaster Management**

The issue of fire and disaster management was raised during the consultation sessions. Specific reference was made to the need for an upgrade and ongoing maintenance. Also, Namakwa district municipality requested BMM to assist in training of volunteer fire-fighters and provision of a new fire truck.

## 13 SUMMARY OF ENGAGEMENTS IN KHÂI-MA

Table 13: Summary of findings and innovative options to address the key needs/issues

Key issues/needs	Options to address the issues/needs
 <b>Unemployment</b>	<ul style="list-style-type: none"> <li>✓ Develop skills, knowledge and attitudes for work readiness, business readiness and positive citizenship</li> <li>✓ Provide easy access to information on current and potential future job opportunities, to enable people to plan and prepare themselves</li> <li>✓ Implement a major drive to help residents to identify and develop innovative opportunities for economic activity in the informal and local small business sector</li> <li>✓ Work with the diverse range of existing village-based economic activities to increase their financial health and economic returns, and growth; with the aim to maximise local job creation</li> <li>✓ Enable residents to obtain learners and driver's licenses; and seek opportunities to enable local residents to train others, even set up in business</li> <li>✓ Unblock hindrances to the appointment, viable pricing, mentoring and overall success rate of local contractors to BMM and other potential clients</li> </ul>
 <b>Broad-based economic opportunities for local households and village-based businesses</b>	<ul style="list-style-type: none"> <li>✓ Livestock economy restoration on the commonages and community farms, including improved practices for environmental sustainability and resilience against climate change</li> <li>✓ Local fodder production businesses and sales for area-wide drought-proofing and market-oriented livestock production</li> <li>✓ Auction and market development for livestock, vegetables and other local commodities</li> <li>✓ (Re-)opening of fertile lands for cultivation, including eradication through value-adding of invasive prosopis along the Orange River</li> <li>✓ Water for productive uses along the Orange River – revitalisation of broad-based productive activities for lucerne, vegetables, etc, including pockets of land that were cultivated intensively prior to changes in river levels due to upstream interventions</li> <li>✓ Water for productive uses for livestock: solar installations on boreholes, more boreholes, repair of stock watering balancing dams and drinking troughs to optimise usability of available grazing;</li> <li>✓ Water for productive uses for village-based production: e.g. repair and development of existing springs, earth dams, and new distribution systems for agricultural production and other village-based economic activities</li> <li>✓ Enhancing local tourism and other small business visibility and viability, including listing on internet platforms for easy discoverability by potential tourists</li> <li>✓ Full support for local tourism initiatives and potential, including upgrading of the 4x4 Route and support for local products to be sold on the 4x4 Route</li> <li>✓ Assistance to Pella to clean the areas associated with the 4x4 Route – the community has already planned how to contribute</li> <li>✓ Support entrepreneurs who want to start guest houses for tourists in Onseepkans and other communities</li> <li>✓ Broad-based manufacturing of bricks and building materials for upcoming construction projects</li> <li>✓ Advice and support to small miners and legitimising and expansion of artisanal mining opportunities</li> <li>✓ Innovation to turn social and economic problems into local broad-based opportunities</li> </ul>
 <b>Highspeed broadband and wifi</b>	<ul style="list-style-type: none"> <li>✓ Proper, functional access to the internet is an essential enabler for virtually every economic opportunity in these communities, as well as health and well-being (see telemedicine below).</li> <li>✓ Expand the current BMM interventions in Pella and Pofadder, and ensure access also in Witbank and Onseepkans</li> <li>✓ Collaborate with major telecoms service providers to expand general availability of fast broad-band services</li> </ul>
 <b>Water</b>	<ul style="list-style-type: none"> <li>✓ Sustainable productive water provision and distribution for productive economic use in all 4 communities; including setting up self-organisation for maintenance-by-the-users</li> <li>✓ Repair and development of Pella's existing springs, earth dams, and water distribution systems</li> <li>✓ Upgrade Witbank's local water pump, system and irrigation</li> <li>✓ Upgrade water supply system of Witbank's clinic</li> </ul>
 <b>Alcohol and drug sales and abuse and crime prevention</b>	<ul style="list-style-type: none"> <li>✓ Substance abuse intervention programmes; and create local skills as a permanent and vibrant resource to continually address these problems</li> <li>✓ High-mast lighting, e.g. in Witbank and Pella</li> <li>✓ Recreational and sports initiatives in all four villages; opportunities for local entrepreneurs to offer fitness classes, coaching, etc.</li> <li>✓ Programmes around women empowerment to curb violence against women and children as a consequence of alcohol and drug abuse; opportunity for locals to equip themselves to offer self-defence classes, well-being workshops, etc.</li> <li>✓ Drug and alcohol rehabilitation centres</li> </ul>

 <b>Child safety needs</b>	<ul style="list-style-type: none"> <li>✓ Develop a village-based system of safe havens for children, especially in Pofadder and Pella</li> <li>✓ High-mast street lighting, especially in Pella and Witbank</li> </ul>
 <b>Education</b>	<ul style="list-style-type: none"> <li>✓ Maximise education aimed at preparing the next generations for a diversity of economic activities, including formal jobs, informal economic activities, and business</li> <li>✓ Increase access to, and quality of, high value education subjects in all primary schools and high schools in Khai-Ma i.e. mathematics, science, English and computer literacy</li> <li>✓ Supply and stock the library of Witbank, Onseepkans and other communities</li> <li>✓ Intervention programmes to address bullying, including sports and life skills, e.g. through soccer-based life-skills training and wrestling-based Bullyproof classes linked to sports prestige</li> <li>✓ New school bus and paid driver for Onseepkans primary school, and Pella has requested a school, and a bus and driver</li> <li>✓ Supply of basic educational toys and material to schools; look for opportunities for local residents to make and sell such supplies locally and externally</li> <li>✓ Subsidies for teachers in Witbank in order to employ more teachers; encourage local youth to equip themselves towards filling these posts in future</li> <li>✓ Training for the creche teachers in Witbank and other capacity-building programmes for teachers; simultaneously broaden access to these learning opportunities to interested residents, especially youth considering careers in teaching</li> <li>✓ Provide more maths, science and computer literacy teachers in Pofadder</li> </ul>
 <b>Health</b>	<ul style="list-style-type: none"> <li>✓ Ambulance for the communities of Witbank and Pella</li> <li>✓ Investigate telemedicine options for remote villages, as provided for in the PGDP</li> <li>✓ Pella requested a paid resident doctor</li> <li>✓ Programmes around HIV/Aids, specifically in Onseepkans; develop local skills and talent to fulfil these roles</li> <li>✓ Electricity and water upgrade for Witbank clinic; develop significant numbers of locals with maintenance skills</li> <li>✓ Provide a more regular doctor to Witbank and increase their access to health care</li> <li>✓ Upgrading of current clinic in Onseepkans and mobile clinic for Viljoensdraai and Sending</li> <li>✓ More staff in Pofadder's hospital as well as an upgrade of medical equipment</li> </ul>
 <b>Transport</b>	<ul style="list-style-type: none"> <li>✓ Cheap or more affordable public transport for all four villages</li> <li>✓ Upgrade of gravel road to Onseepkans</li> <li>✓ Upgrade of gravel road to Witbank</li> </ul>
 <b>Housing and living conditions</b>	<ul style="list-style-type: none"> <li>✓ Local banking systems for the Khai-Ma villages to maximise internal trade between residents, to retain and multiply wealth in the communities</li> <li>✓ Solar power systems for Khai-Ma houses to go off the grid; alternatively, to sell excess power into the grid</li> <li>✓ Upgrade of houses in Onseepkans, Pofadder and Witbank</li> <li>✓ More houses for teachers in Witbank</li> <li>✓ Upgrade of sanitation facilities in Pofadder, Pella</li> <li>✓ Palisade fencing for Pella Mission and cemetery; fencing of the Pella access road</li> <li>✓ Pella mineworkers' housing to be developed in Pella to broaden the economic base in the village</li> <li>✓ Based on the broadened economic base, establish a fuel station and shopping centre in Pella, including Pep Stores</li> </ul>
 <b>Elderly care and safety</b>	<ul style="list-style-type: none"> <li>✓ Elderly care centre in Pella and Pofadder</li> </ul>
 <b>The youth</b>	<ul style="list-style-type: none"> <li>✓ Entrepreneurial and targeted skills development programmes for the youth</li> <li>✓ Exposure to 4IR and broader context to stimulate interest and participation, including visits to existing large businesses and BMM TP,</li> <li>✓ Electronic participation in youth conferences, e.g. Indaba-X to broaden African youth participation in machine learning and AI</li> <li>✓ Recreational and sports initiatives in all four villages</li> <li>✓ Cultural activities and programmes aimed the youth, with a specific focus to cultivate the indigenous cultural activities of the Nama people</li> <li>✓ Mentorship and personal development programmes to support the youth to plan their future, set vision, goals and action plans</li> </ul>

	<ul style="list-style-type: none"> <li>✓ Teenage pregnancy preventative programmes</li> <li>✓ Parenting skills programmes</li> <li>✓ Provide productive activities for the youth to keep them away from engaging in social ills e.g. alcohol, drugs, gangsterism, etc.</li> </ul>
 <p><b>Training</b></p>	<ul style="list-style-type: none"> <li>✓ Training, exposure, experience and mentoring for work and business readiness</li> <li>✓ Assist residents to explore the vast opportunities and potential for (free and paid) online learning, including qualifications available from reputable international providers</li> <li>✓ Training to support and cultivate creative skills, and set up local talent to train others</li> <li>✓ Bursaries for youth, for university qualifications and trades</li> <li>✓ Learnership programmes, specifically for the youth</li> <li>✓ Support online courses</li> <li>✓ TVET training programmes</li> </ul>

## 14 SUMMARY OF ENGAGEMENTS IN NAMA KHOI

Table 14: Summary of findings and proposed initiatives

Proposed initiatives		Aim of initiative
	<b>Renewable energy</b>	<ul style="list-style-type: none"> <li>✓ To reduce the reliance on the grid system</li> <li>✓ To create jobs</li> </ul>
	<b>Mining beneficiation</b>	<ul style="list-style-type: none"> <li>✓ To provide mining beneficiation opportunities and small-scale mining beneficiation for residents</li> <li>✓ To establish a mineral hub to facilitate beneficiation is needed.</li> </ul>
	<b>Broad-Based Livelihoods</b>	<ul style="list-style-type: none"> <li>✓ Implement BMM's Broad-Based Livelihoods programme in Nama Khoi communities</li> </ul>
	<b>Namakwa irrigation development</b>	<ul style="list-style-type: none"> <li>✓ To restore the irrigation systems in Goodhouse for local beneficiation</li> <li>✓ Raisins, dates and lucerne could be planted when the irrigation system is established</li> <li>✓ To assist farmers in terms of a marketing strategy and the identification of potential investors</li> </ul>
	<b>Marine Aquaculture</b>	<ul style="list-style-type: none"> <li>✓ To assist potential farmers in obtaining fishing rights</li> <li>✓ To help potential farmers in identifying potential stakeholders for investments</li> <li>✓ To assist the marine farmers in establishing a marketing strategy</li> </ul>
	<b>Industrial Park</b>	<ul style="list-style-type: none"> <li>✓ To provide support and much-needed assistance for small enterprises and informal traders to conduct business.</li> </ul>
	<b>Skills development</b>	<ul style="list-style-type: none"> <li>✓ To develop a new integrated educational, capacity building and skills development strategy</li> <li>✓ To cater for all the educational needs and skills development in the area, including schoolchildren, adults, and the unemployed</li> <li>✓ To offer Municipal Capacity-Building Programmes (Skills)</li> </ul>
	<b>Health facility</b>	<ul style="list-style-type: none"> <li>✓ To provide health care in the Steinkopf region</li> </ul>
	<b>Okiep sport facility</b>	<ul style="list-style-type: none"> <li>✓ To upgrade sports facilities</li> <li>✓ To provide the needed infrastructure around sport facilities in Okiep</li> </ul>
	<b>Fire and Disaster Management</b>	<ul style="list-style-type: none"> <li>✓ To strengthen overall fire and disaster management in the region</li> <li>✓ To upgrade the fleet</li> </ul>

## 15 EFFECT OF THE DECLINING SOUTH AFRICAN ECONOMY

After growing by 3.1% in the fourth quarter of 2017, the South Africa (SA) economy declined in the first quarter of 2018, shrinking by 2.2% quarter-on-quarter, according to the latest data from Stats SA. Agriculture, mining and manufacturing were the main contributors to the slowdown, with the electricity, construction and trade industries also recording negative growth. Mining entered into recession with its second consecutive quarter of economic decline. Namakwa District Municipality is heavily reliant on mining and given the ailing mining sector over the past decade, especially in Kathu, there is very little opportunity for these poverty-stricken communities in the formal economy.

The shrinking economy and dwindling formal sector are the main contributors to unemployment, which is one of the most important challenges facing the poor people in our country. This has been made worse by the fact that over the last two decades, the formal economy has been shedding jobs and many workers were retrenched. Furthermore, every year hundreds of thousands of new young job seekers join the ranks of South Africa's unemployed. SA's unemployment rates are reported to be approximately 29% as reported in August 2019. In addition, according to Stats SA, youth unemployment (that is, between the ages of 15 – 24) was 55,2% for the first quarter of 2019. Among graduates in this age group, the unemployment rate was 31,0% during this period compared to 19,5% in the 4th quarter of 2018 – an increase of 11,4 percentage points quarter-on-quarter.

Education improves a person's chances for employment, but provides no guarantee. Over 7% of the unemployed work seekers are youth with tertiary qualifications who are not able to find work. In 2016, 1.7 million job-seeking South Africans had a matric certificate. A further 405 000 unemployed South Africans had a tertiary qualification. The economy, influenced by Government policy, has not been able to provide enough jobs to reduce the youth unemployment rate even slightly in recent years. The South African economy has been shrinking since the start of 2018, and for many companies to survive, labour cost cutting is the only option.

Furthermore, the skills and education levels of the population are low and therefore job seekers are not employable in the available job sectors. These remote communities, mostly dependent on grants and facing a lack of water and basic services, are trapped in their circumstances and poverty, and see little proof of viable pathways out. The bulk of these populations are youth, who, with few meaningful opportunities for the future, turn to populist demands and revolutionary actions to get attention.

The Fourth Industrial Revolution (4IR) is the fourth major industrial era since the initial Industrial Revolution of the 18th century. It is characterized by a fusion of technologies that is blurring the lines between the physical, digital, and biological spheres, collectively referred to as cyber-physical systems. When one considers the effects of the 4th Industrial Revolution, these remote communities are being left behind because of the lack of digital and internet-based accessibility and knowledge. Table 15 shows that more than half of the population in both municipalities had no access to internet (Census 2011). These are still some of the biggest issues facing sustainable development in this region.

Table 15: Access to internet

Access	KMLM Percentage	NKLM Percentage
From Home	3,5%	5,5%
From Cell Phone	13%	14,3%
From Work	3,8%	4%
From Elsewhere	1,9%	1,9%
<b>No Access</b>	<b>77,8%</b>	<b>74,3%</b>

Source: Stats SA 2011

This **digital divide** prevents societies from harnessing the full benefits that information and communication technologies can deliver. Access to internet also greatly aids education, knowledge and skills development. In this context, actions to foster physical access to the internet remain essential, but they are not sufficient to ensure a truly inclusive information society. Therefore, strong leadership is needed at the global, national and local levels, to ensure more coordinated efforts among governments, local authorities and actors on the ground. Conversely, technology is progressively pervading every sector of the economy, thereby critically widening disparities across countries and within national territories. Setting up internet-based businesses that are not hampered by their remote location, is an important avenue to self-employment and presents an opportunity for people to be economically active where they are.

**This region's best opportunity is to empower the masses to create their own income, opportunities, and livelihoods through broad-based livelihoods approaches**, which is explained in more detail in the next section. It is important to keep money revolving locally in these communities to enable strong LED growth and sustainability. Creating household livelihood opportunities around production of food, goods, and services flowing into the local economy is a powerful means to provide economic access for the many living in poverty. Through import substitution moneys flow in, and local grassroots entrepreneurs become net-exporters of goods and services and internet-based business providers. To support this revolution, it is recommended that BMM increases its investment on the provision of broad-band data, access and IT training to communities.

## 16 RISKS AND KEY OPPORTUNITIES

Despite the billions of Rands spent by the mining industry in the past, return on social investment has often not been sufficient, and social volatility and dire local socio-economic needs continue to escalate. Development initiatives in South Africa have kept falling short of turning the tide on hunger, poverty, inequality and joblessness. These results indicate that a fresh approach to LED is required.

A shared developmental vision with a people-centred focus among all relevant developmental stakeholders in this area is needed to form a strong basis for developmental initiatives and coordination of efforts. This should include a deliberate broad-based approach to LED to maximise participation and easy entry for all interested people at any level in the socio-economic pyramid. Evidence is compelling South Africa to take note of massive, but invisible growth in the informal

economy, and to take deliberate steps to maximise opportunities for hope and well-being of our unemployed citizens.

## 16.1 WHY DO CURRENT ATTEMPTS CONTINUE TO FALL SHORT?

Initially, most of the LED expenditure in SLPs had been on large civil infrastructure projects for basic services. However, the realisation emerged that to stimulate productive activities, productive infrastructure and equipment was needed. Where there has been a shift towards providing productive infrastructure, these have mostly been designed as big interventions; often requiring group-based participation, and necessitating sophisticated project management. Unfortunately, a high percentage of these initiatives have failed.

Clearly, South Africa cannot be accused of failing to spend vast amounts of money and effort to address socio-economic challenges. Therefore, it is important to analyse where these attempts have fallen short. While this subject is large and complex, the following fundamental realities of typical development initiatives in South Africa should be recognised:

- **Exclusion:** Socio-economic development efforts have mostly targeted “the lucky few” from any given community, and offers no hope for the majority; “selection” methods are always flawed, and often scarring and socially divisive;
- **Apparent vs actual success:** Building visible infrastructure and even starting up production is easy, usually relatively quick and creates an “illusion of success”, leading to early claims of success and in some cases even approvals for replication, without due consideration of the financial and managerial autonomy achieved by the initiative;
- **Complex relationships, built-in risks:** In South Africa, development initiatives almost always require people to form themselves into groups to qualify for assistance, thereby creating inherent complexity and risk in internal management, decision-making and profit sharing that are difficult issues to deal with, even for people far more experienced in production and business aspects. Individuals who are keen and committed often find themselves trapped by the inability and/or unwillingness of other members;
- **Technically demanding:** many development initiatives offer scaled-down versions of technically complex production, trade or services businesses, which require beneficiaries to master a diversity of skills, competencies and relationships from a near-zero base in short timespans. Attempts to compensate for this, such as the Build, Operate, Train & Transfer (BOTT)-model have failed. Development funders now insist that project design should include a clear “exit plan”, but even this has proven no guarantee for the survival of development initiatives;
- **Short timeframes, inadequate nurturing:** faced with unbearable demands for quick impact, many development initiatives are quick-in, quick-out in nature, and therefore provide insufficient time for participants to gain trust and confidence in their new roles;

- **High rate of failure with long-term consequences:** Inevitably, the failure rate of development initiatives tends to be high, resulting not only in wasted resources, but also in enduring rifts in the social fabric of communities and personal disappointment which erodes people’s courage to try something again;
- **Jealousy and inequality:** Finally, those initiatives that achieve success against the odds, still have a major social price to pay: because of the lack of similar opportunity for the “have-nots”, success implies deepened inequality in the communities, which leads to resentment, jealousy and ill-will towards the successful. Indeed, “the hungry mouth hates the one that eats”.

It is imperative for our country to review its approach to development initiatives, to be more inclusive, and more appropriate to the realities of local communities. Many lessons have been learned, and a rich diversity of programmes and projects are necessary to turn the tide. In designing socio-economic solutions, BMM and their implementing agents must recognise, understand and avoid as far as possible the common mistakes in this challenging sector.

It is now time to shift again: towards a large multitude of dispersed, manageable opportunities for individuals to start family businesses. Appropriate infrastructure and equipment forms part of this. Large scale supportive infrastructure remains important enablers, like internet access and good roads. However, the productive infrastructure and equipment in the hands of the households and informal businesses should be fully manageable by themselves without external help.

## 16.2 A FRESH APPROACH TO LOCAL-SOCIO-ECONOMIC DEVELOPMENT

It is ‘people’ projects which allow people to better identify with and benefit from social spending. The primary focus should be on projects that have a long-term positive impact on the local economy and can contribute to the sustainable beneficial development of the households in a community. Working at developing people will always be challenging and showing value for money spent is also far more difficult to measure when it is spent on people compared to infrastructure projects. Yet, this is where the most impact and ‘cascading benefits’ occur which over time will most impact or change a community.

The benefits of involving the community are many and diverse. From an economic perspective, with skills transfer and a better governance framework, the community is better equipped to look after itself and sustain the development process. Also, the indirect benefits should never be underestimated, in particular the building of trust and relationships with governments, aid donors and other key players.

The following characteristics are conducive to broad-based people-driven development:

- **“Any of us” - inclusive:** opportunities that enable anyone to participate and succeed; thereby creating equal opportunity and removing grounds for jealousy;
- **Easy to get going and free to grow:** simple, uncomplicated opportunities allowing easy entry for any individual, family or business, that have the potential for growth;

- **No exit plan needed:** opportunities that are deliberately structured to enable every participant to have personal control of each aspect of their undertaking from Day One; this enables a person to “wait for no-one” and make progress at their own pace and preference;
- **“Walk with us”:** avoiding taking the reins from the individual, but building in regular and long-term interaction to guide, encourage and open doors for each individual as and when needed.

If South Africa can succeed in enabling broad-based development by the masses, many of the detrimental factors currently causing underperformance and failure of development initiatives may diminish. Even larger and more complex initiatives would suffer less from jealousy and sabotage; and a large talent pool of skills and experience will evolve to underpin progress throughout the diverse spectrum of activities that make a nation great in academic, economic, developmental and governance aspects.

Broad-based SED interventions have most impact when they are designed to avoid barriers to entry for anyone in the community; have no ceiling to the possibilities for expansion and diversification for any individual, family or business; and create a friendly social environment for all other development initiatives to flourish.

“The bottom of the pyramid” is the largest, but poorest socio-economic group. The concept demonstrate that the world's poor are an effective market that can be both beneficial for the (local) economy and for the poor themselves. For maximum impact on the poor, the process must start with people at the bottom of the pyramid to help them discover, or rediscover, avenues out of poverty that suit their circumstances and preferences, enabling them to grow into meaningful economic activity in their lives.

The bottom of the pyramid need not be left behind in the Fourth Industrial Revolution. Broad-based livelihoods include anything a family can engage in to earn income for the family, including internet-based business and services opportunities (including actions as simple as listing businesses on Google Maps to be discoverable by potential clients/customers). Designers and implementors of LED need to be deliberately innovative and future-focused, creating access to the economy, as it changes.

## 17 CONCLUSION

The key objectives for the SEBS are to use the findings as a planning tool for implementing LED projects in the communities, as well as to guide BMM's engagement with the communities in a meaningful and contextually appropriate manner. This should optimise the expenditure of BMM's resources on projects within the community by focusing on projects 'with the greatest chance of achieving sustainable community development, community-self-reliance and social benefit. The Community BSESS also reveals the key needs and opportunities for creating sustainable livelihoods and economic endeavours that would enhance the quality of life for all living within these communities, during and beyond the life of the mine.

## 18 ANNEXURE A: REQUEST TO UNDERTAKE A SOCIO-ECONOMIC BASELINE STUDY



**mineral resources**

Department:  
Mineral Resources  
REPUBLIC OF SOUTH AFRICA

NORTHERN CAPE REGIONAL OFFICE

Private Bag X 6093, Kimberley, 8300, 41 Telkom Building, Schmidtsdrif Road, Kimberley, 8301, Tel: 053 807 1775

Email: [Ntombi.Ntombi.Mayekiso@dmr.gov.za](mailto:Ntombi.Ntombi.Mayekiso@dmr.gov.za); [Ndlelenhle.Zindela@dmr.gov.za](mailto:Ndlelenhle.Zindela@dmr.gov.za)

Directorate: Mineral Regulation

Enquiries: N. Zindela

To:

**MINING COMPANIES (MINING RIGHT HOLDERS)**

Per email:

**Attention: CHIEF EXECUTIVE OFFICER / CHIEF OPERATING OFFICER / GENERAL  
MANAGER/ MANAGEMENT**

### **REQUEST TO UNDERTAKE SOCIO-ECONOMIC BASELINE STUDY OF THE MINING COMMUNITIES**

Mining communities form an integral part of mining development, which requires a balance between mining and mine community's socio-economic development needs. A mining right holder must meaningful contribute towards Mine Community Development; with a bias towards mine communities both in terms of impact and size, and in keeping with the principles of the social license to operate.

The Department has in the forgoing years to date, observed and received letters from members of the communities and Forums, outlining great discomfort within the mining mining communities in relation to lack of consultation by mining companies with mining communities, misalignment of identified projects in the Social and Labour Plan with community needs and inadequate available processes to allow active participation of communities in the development of Social and Labour Plans, particularly Local Economic Development (Mine Community Development).

This has amongst others resulted in protests by mining communities, projects becoming white elephants, vandalism of projects and lack of ownership of projects, in a number of mining communities.

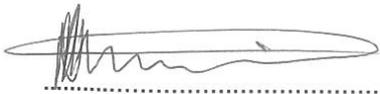
In our quest to address the afore-mentioned, the Department has identified a need for a comprehensive socio-economic baseline study of the communities where mining takes place and adjacent communities. The study which amongst others involves engagement process with respective communities and other stakeholder, will allow active participation process with communities and guide the identification of developmental priorities during the required consultation process as per the Mining Charter in relation to Mine Community Development.

The socio-economic study should inform the development of an effective Social and Labour Plan document and implementation plan.

It is therefore against this background that the Department hereby request mining right holder/s to undertake Socio-Economic Baseline Study of the mining communities and adjacent communities and submit Socio-Economic Baseline Report to the Regional office by **30<sup>th</sup> September 2019**.

In terms of five year progressive implementation plans, which were due on end of March 2019, mining right holders are therefore advised to also submit these by end **30<sup>th</sup> September 2019** (this only applies to companies who did not submit in March).

Yours faithfully

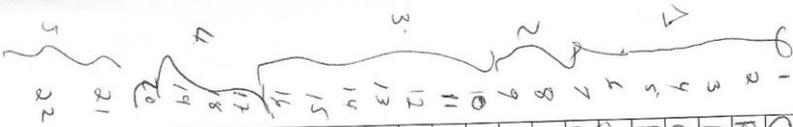


REGIONAL MANAGER: MINERAL REGULATION

NORTHERN CAPE REGION

DATE: 25/06/2019

**19 ANNEXURE B: ATTENDANCE REGISTERS OF KHAI-MA COMMUNITY STAKEHOLDER ENGAGEMENT SESSIONS**



Village: Pella Consultation register Date: 15/07/2019

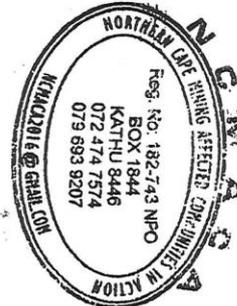
Name	Surname	Contact Details	Position	Village
Canelia	Van den Hoeker	078 44 00362	Pactisyn	Pella
Rochelle	Ramon	063 321 9915	Pactisyn	Pella
Kacheta	Waterboer	0839935957	Pactisyn	Pella
Charisa	Simbaya	073 471 3875	Pactisyn	Pella
Muniqua	Dunwardt	069 469 9118	Pactisyn	Pella
Angelien	Meaton	071 412 3384	Pactisyn	Pella
Cecil	Felding	-	Pactisyn	Pella
Y. SMITH	MARKER	076 3344 345	in woner	Pella
DEWIS	SECOND	08442450866	in woner	Pella
PEDRO	JOHNSON	0737821811	in woner	Pella
CHRISTIAN	RASSON	0739446262	in woner	Pella
Hoyts	Switz	063 422 1898	in woner	Pella
Aspivir	Othobell		in woner	Pella
Anely	BOOTSEN	0733731011	Pactisyn	Pella
MARSHAN	Smilt	0782499938	in woner	Pella
Elvarene	JANCI	0762013333	Khai-ma Pella	Pella
JENKENTIE	BASEON		in woner	Pella
PETRUS	JANKE DICKS	0843731190	in woner	Pella
STOLVIE JOHN	AUGUS	0839739904	Khai-ma Pella	Pella
MINA AUGUS				Pella

Duric 078 716 1812 Hu's beoners Pella  
 Addie 076 73 15751 Genevieve beoners Pella



**NORTHERN CAPE MINING AFFECTED COMMUNITIES IN ACTION**

(NCMACA)  
REG: 182-743



PELA **BRANCH**  
ATTENDANCE REGISTER DATE **10/9/2019**

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R. VAN WYK			[Signature]

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## 20 ANNEXURE C: RECORD OF MEETING WITH KHAI-MA MUNICIPALITY



## RECORD OF MEETING

<b>NAME OF MEETING:</b>	Municipality Consultations for: (1) the Black Mountain Mine (BMM) and Gamsberg Social & Labour Plans (SLP) Closeout Report; and (2) the Development of the New Consolidated 5 Year SLP for the Black Mountain Complex (BMM) i.e. consolidated for Black Mountain Mine and Gamsberg mining rights.
<b>DATE</b>	Tuesday 13 August 2019
<b>ATTENDEES</b>	<ul style="list-style-type: none"> <li>• BMM Representatives</li> <li>• Khai-Ma Local Municipality(Khai-Ma) Representatives</li> <li>• Umsizi Company Representatives</li> </ul> <p>(See attendance register for details)</p>
<b>PURPOSE</b>	In compliance with the Broad-Based Black Economic Empowerment Charter for the Mining Industry, 2018 (Mining Charter III), these consultations are undertaken by BMM to meaningfully engage with relevant municipalities, mine communities, organised labour, traditional authorities and affected stakeholders, to identify developmental priorities for mine communities.
<b>KEY DECISIONS AND ACTIONS</b>	<p>BMM presented background on Vedanta Mining globally. BMM discussed Vedanta's growth plans for BMM expansion phases:</p> <ul style="list-style-type: none"> <li>• Gamsberg Phase II</li> <li>• Construction of the Smelter Refinery</li> <li>• Downstream industries</li> </ul> <p>Umsizi (as an independent company) compiled the close-out report of the previous 5 year Social and Labour Plans (SLPs) for the BMM and Gamsberg mining rights.</p> <ul style="list-style-type: none"> <li>• This was presented to Khai-Ma representatives, indicating the performance of BMM in achieving its SLP commitments and Mining Charter targets, as well as the challenges and mitigation actions.</li> <li>• Umsizi key aspects of the new Mining Charter to increase knowledge and understanding thereof (building on the previous Mining Charter capacity-building done by Umsizi with Khai-Ma).</li> <li>• Umsizi presented its findings on BMM's compliance with the five-year SLP commitments and Mining Charter II targets, plans and the resultant impact on the surrounding and labour sending areas.</li> <li>• The close-out report presentation was positively received, and Khai-Ma were thankful for the investment and impact the BMM SLP had over the past 5 years.</li> </ul> <p><b>Looking ahead to the next 5-year SLP:</b></p> <p>Discussions were held on the key developmental needs and priorities of the Khai - Ma communities. The following needs were raised:</p> <ol style="list-style-type: none"> <li>1. <b>Sustainable water supply</b> for all communities, especially in relation to productive water (e.g. for agriculture) and increasing household consumption allowances.</li> </ol>

	<ol style="list-style-type: none"> <li>2. <b>Housing and services:</b> Khai-Ma want BMM to construct homes, infrastructure and services in Pofadder and Pella for the expansion phases of BMM and increased labour and contractors that will require housing.</li> <li>3. <b>Institutional Development:</b> The Municipality requested assistance from BMM in setting up institutional structures, vision-building and action planning. The Municipality identified the need for capacity building within its structures, particularly in relation to the youth and women structures. Accordingly, programmes that deal with restoring the moral fabric of households and communities, and undoing the concerning level of social ills, are required to support local economic development initiatives.</li> <li>4. <b>Access to the internet:</b> Onseepkans has no access to the internet for lack of service provider. The Municipality requested BMM’s assistance in facilitating a process which would lead to the provision of internet connectivity.</li> <li>5. <b>Skills Development,</b> especially for youth. The Municipality acknowledged that there was a high drop-out rate of people from skills training programmes, citing lack of mentorship as one possible factor. BMM explained that there are only 12 000 people residing in the Khai-Ma region and about 80,000 people in Nama Khoi. Given the expansion of BMM and the future skills needs, BMM will need to focus its skills development initiatives in both Khai-Ma and Nama Khoi in order to meet its future labour and skills requirements.</li> <li>6. <b>Personal Development</b> was identified as a need via community workshops. The communities requested guidance in terms of vision-building, career, personal and spiritual development. Such programmes should focus especially on youth so that they develop “Life Plans” with direction and purpose, and understand how skills, entrepreneurship and livelihood development interventions fit into creating a better future for all.</li> <li>7. <b>Fourth Industrial Revolution opportunities.</b> The Municipality stated that most people in their communities were IT illiterate and would miss out on any opportunities the Fourth Industrial Revolution presented unless there was dramatic intervention.</li> </ol>
<p><b>OUTCOMES</b></p>	<ol style="list-style-type: none"> <li>1. Umsizi committed to sending the following documents to the Khai-Ma Municipality             <ul style="list-style-type: none"> <li>- Copy of the Mining Charter III summary presentation prepared by Umsizi (attached)</li> <li>- Link to the Mining Charter III (herewith) <a href="https://www.gov.za/documents/mining-charter-2018-27-sep-2018-0000">https://www.gov.za/documents/mining-charter-2018-27-sep-2018-0000</a></li> <li>- Link to Mining Charter III Implementation Guidelines (herewith) <a href="https://www.gov.za/documents/mining-charter-2018-27-sep-2018-0000">https://www.gov.za/documents/mining-charter-2018-27-sep-2018-0000</a></li> <li>- Copy of the BMM SLP close-out report</li> <li>- Meeting Memo summarising the key points and actions</li> <li>- Copy of the Socio-Economic Development Framework report compiled by Umsizi in 2017</li> </ul> </li> <li>2. The Municipality requested further capacity building on Mining Charter III</li> <li>3. The Municipality requested assistance from BMM to address the deficiencies in the IDP</li> <li>4. The Municipality committed to send a list of priority LED needs to BMM for consideration in the new 5-year SLP</li> </ol>



**KHâh- MA**  
**Munisipaliteit**

**U Masipala**  
**wase**

**KHâh- MA**  
**Municipality**

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Suid-Afrika

Nuwe Straat,  
PO Box 108,  
Pofadder, 8890

**ATTENDANCE REGISTER**

MEETING : SLP Reporting  
DATE : 02 September 2019  
TIME : 14H00  
VENUE : Mayor's Office

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OSAKENG	TJANUS		
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**21 ANNEXURE D: ATTENDANCE REGISTERS OF NAMA KHOI AND NAMAKWA STAKEHOLDER ENGAGEMENT SESSIONS**



**NAMA KHOI MUNICIPALITY**  
**VEDANTA SLP MEETING – 18/07/2019**

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## 22 ANNEXURE E: RECORD OF MEETING WITH NAMA KHOI AND NAMAKWA MUNICIPALITIES



### RECORD OF MEETING

<b>NAME OF MEETING:</b>	Labour Sending and District Municipality Consultations for the Development of the New 5 Year Social and Labour Plan for Black Mountain Mining Company (BMM)
<b>DATE</b>	Tuesday 16 July 2019
<b>ATTENDEES</b>	<ul style="list-style-type: none"> <li>• Black Mountain Mining Company Representatives</li> <li>• Nama Khoi Local Municipality Representatives</li> <li>• Namakwa District Municipality Representatives</li> <li>• <i>Hereafter both Nama Khoi and Namakwa will be collectively referred to as "municipalities"</i></li> <li>• Umsizi Company Representatives</li> </ul> <p>(See attendance register for details)</p>
<b>PURPOSE</b>	In compliance with the Broad-Based Black Economic Empowerment Charter for the Mining Industry, 2018 (Mining Charter III), these consultations are undertaken by BMM to meaningfully engage with relevant municipalities, mine communities, organised labour, traditional authorities and affected stakeholders, to identify developmental priorities for mine communities.
<b>KEY DECISIONS AND ACTIONS</b>	<p>Umsizi (as an independent company) compiled the close-out report of the previous 5 year Social and Labour Plan (SLP).</p> <ul style="list-style-type: none"> <li>• This was presented to the Municipality representatives, indicating the performance of BMM in achieving its SLP commitments and Mining Charter targets, as well as the challenges and mitigation actions.</li> </ul> <p>BMM presented Vedanta Zinc International's business plans for the future with particular focus on the Gamsberg operation and the expansion thereof.</p> <p>BMM indicated that in the first SLPs (BMM and Gamsberg), Vedanta had to focus on the local municipality i.e. Khai-Ma Local Municipality. Now in the new Consolidated SLP, BMM will also focus a portion of its SLP projects on the labour sending municipality (Nama Khoi) as required by Mining Charter III, in addition to its focus on the host municipality (Khai-Ma).</p> <p><b>Looking ahead to the new 5-year SLP</b></p> <ul style="list-style-type: none"> <li>• The Primary Liaison for Nama Khoi = Ms. Samantha Titus</li> <li>• The Primary Liaison for Namakwa = Mr. Chris Fortuin</li> <li>• The Municipalities expressed that BMM's core mining contractors (i.e. Minopex and Moolmans) should contribute to LED in these Municipalities as they are benefitting from undertaking the mining at Gamsberg.</li> <li>• The Municipalities proposed that the regions be given 2 – 3 large projects, with some budget for discretionary spend.</li> <li>• The municipalities explained that there are 23 small settlements within the district, and that it is very difficult to bring meaningful basic infrastructure, services and development, with limited resources.</li> </ul>

	<p><b>Local Economic Development:</b></p> <ul style="list-style-type: none"> <li>• Umsizi explained that Mining Charter III favours projects that the community as a whole, or that have a broader-based impact.</li> <li>• Topics discussed as needs or drivers for interventions:             <ul style="list-style-type: none"> <li>○ Nama Khoi requested that BMM build the houses required for the increase in labour for the expansion phases of BMM, in Springbok. The municipality indicated that they will provide the stands for free, if BMM commit to building the houses and services.</li> <li>○ Increase in social ills (prostitution, alcoholism, HIV, pregnancies, drugs).</li> <li>○ The opportunities which the railway line and construction of the Boegoebaai Port will create (the detail of which is contained in the SDF), and how BMM in partnership with the Municipalities can maximize economic growth opportunities for people in the communities of Nama Khoi, Namakwa and Khai-Ma.</li> <li>○ Nama Khoi plan to establish business incubators and multi-skills development park, industrial development parks. Nama Khoi will make the land available and has requested BMM to establish this as one of its key LED projects.</li> <li>○ Municipality capacity building (Khai-Ma staff development for the take-on of Aggeneys, and technical skills for Nama Khoi for ongoing infrastructure development and maintenance).</li> <li>○ Agro-processing and farming (crops and livestock) projects.</li> <li>○ Post matric skills development, bridging courses and creation of alternative economic opportunities.</li> <li>○ Fourth industrial revolution and technology development opportunities for the people of Namakwa.</li> <li>○ Road maintenance, especially the intersection and sidewalk paving at Springbok Main Road, which has degraded due to the truck traffic from BMM.</li> <li>○ Upgrade of Health care facilities (particularly the Day Hospital and building maintenance and repair e.g. in Steinkoff)</li> <li>○ Fire and disaster management upgrade and maintenance. Namakwa requested BMM to assist in training of volunteer fire-fighters and new fire trucks.</li> </ul> </li> </ul> <p><b>Skills Development</b></p> <p>Nama Khoi expressed that the portable/community skills training programmes were not addressing the long-term economic needs of the region. The portable skills courses offered by the TVET college were “seasonal”, meeting short term opportunities only. Additionally, the SETA’s are flooding the market with certain skills, and lower work opportunities for the newly trained.</p> <p>Nama Khoi expressed the need for “people with authority” to guide people in the communities to be able to identify what will benefit them in the long term. A recommendation was made to focus skills development spend on Fourth Industrial Revolution skills training (such as systems and software development, 3D printing, robotics).</p> <p>The Municipalities acknowledged the significance of the Broad-Based Livelihood (BBL) Programme in creating alternative livelihood development opportunities for a broad base of people. It was requested that the BBL be rolled out to Nama Khoi communities also, starting with Goodhouse community.</p>
<p><b>OUTCOMES</b></p>	<p>The municipalities committed to provide lists of proposed projects (duly received on 17 July for Nama Khoi and on 13 August for Namakwa).</p>



**SIGN OFF BY COMPETENT PROFESSIONAL PERSON:**

I , **John-Mark Peter Kilian**, a director of Umsizi Sustainable Social Solutions, an independent organisation specialising in Socio-Economic Development Studies, Social and Labour Plans (SLPs) and Development, confirm that the Black Mountain Mining (Pty) Ltd (BMM) Socio-Economic Baseline Study has been undertaken based on;

- Compliance with all relevant SA legislation (MPRDA, Mining Charter 2018, SLP guidelines)
- Best practice in the mining industry and internationally for socio-economic assessment
- Providing a competent and qualified team of experts from Umsizi to undertake the study
- Comprehensive identification of the needs of the BMM communities
- Detailed engagement with all communities, stakeholders and municipalities
- Making best recommendations for the BMM SLP

Signature:

---

**John-Mark Peter Kilian**

Chief Executive Officer Umsizi Sustainable Social Solutions