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SOCIAL AUDIT REPORT MOGALAKWENA MINE

MOKOPANE

2022

Table of Contents

BACKGROUND	3
WHAT IS A SOCIAL AUDIT?	4
WHAT IS A SOCIAL AND LABOUR PLAN?	6
WOMAN IN MINING AFFECTED COMMUNITIES	8
METHODOLOGY	9
WHAT MOGALAKWENA MINE COMMITTED TO UNDERTAKE DURING THE SLP YEARS AUDITED (2015-2020): LOCAL ECONOMIC DEVELOPMENT (LED) SECTION	11
RESULTS AND DISCUSSION	14
Consultation	14
Adult Basic Education and Training (ABET) Programme	17
Installation of Solar Street Lights	19
INTEGRATED REPORTS DISCUSSION	20
CONCLUSION	23
APPENDICES	25
Appendix A: Observations and Results	25

BACKGROUND

Mogalakwena Local Municipality is in the Waterberg District of Limpopo in the Northeast region of South Africa. The town of Mokopane is in the Southeast of the Mogalakwena Local Municipality near the Mogalakwena Mine. Previously known as Potgietersrus, the town was named after the Chief of the Tlou Tribe, Chief Mokopane, in the 1850s.¹ The Mogalakwena Mine was established in 1993 and is the largest open pit mine in the world, with platinum as the dominant mineral being extracted.² The mine is 100% owned by Anglo American, a multinational mining company that produces the largest amount of platinum in the world.³

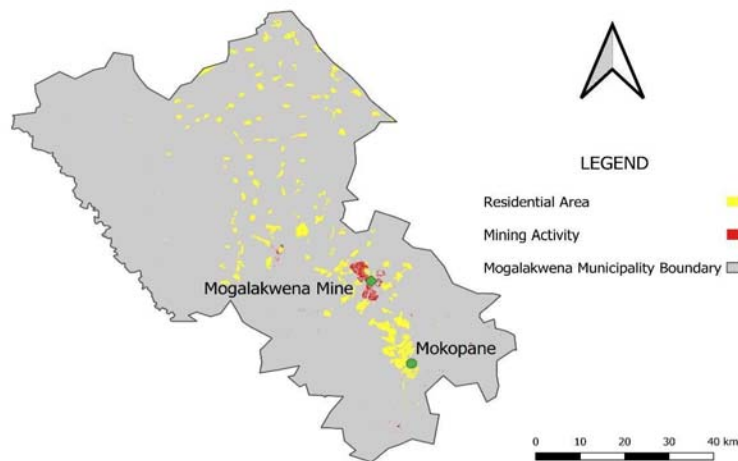


Figure 1: Map of Mogalakwena Mine and Mokopane

Mogalakwena Local Municipality has the largest population in the Waterberg District. Mapela, one of the communities most affected by the operations of Mogalakwena Mine, is a traditional community situated approximately 13.8 km away from Mogalakwena Mine.

¹ Mogalakwena Local Municipality, "History", 2020, accessed 08 February 2022, <http://www.mogalakwena.gov.za/?q=node/15#:~:text=The%20town%20is%20named%20after,campaign%20again%20Makapan%20in%201854.>

² NS Energy, "Mogalakwena Platinum Mine, Limpopo Province", 2022, accessed 08 February 2022, [https://www.nsenergybusiness.com/projects/mogalakwena-platinum-mine-limpopo-province/.](https://www.nsenergybusiness.com/projects/mogalakwena-platinum-mine-limpopo-province/)

³ Anglo American Platinum Limited, "Mine Profile: Mogalakwena", 2022, accessed 27 January 2022, <https://www.angloamerican.com/about-us/our-stories/mine-profile-mogalakwena#:~:text=Mogalakwena%20is%20one%20of%20the,100%25%20owned%20by%20Anglo%20American>

The main economic activities in Mogalakwena begin with mining and agriculture, however the benefits reaped by affected communities in the mining sector are minimal at best. Mapela has approximately 2781 households and a total population of 11254 and is a community that faces many social-economic challenges, with 0.7% of the population having access to flush toilets connected to sewerage and 97.7% having access to electricity for lighting.⁴ 58.3% of the households in Mapela are women headed and according to StatsSA, the population is noted as having some secondary schooling (32.5%) with the second largest group not having any formal schooling (27.6%), and only 4.2% of people holding higher education certificates.⁵

WHAT IS A SOCIAL AUDIT?

A social audit is a community-led process whereby the cogency of the promises made by the mining companies affecting communities are put to the test. Social audits build community power, deepening the culture of participatory democracy and public deliberations by enabling communities to gather and legitimize evidence of their experiences of service delivery, and through this process enables them to claim and realise their constitutional rights to a transparent and accountable mining company. During a social audit the expenditure and service delivery outcomes promised in the Social and Labour Plan (SLP) of a mine are tested in order to see whether community experiences of those outcomes reflect the vision of implementation as stated in the SLP. An SLP contains proposed programmes that should be directed at the host mining-affected communities and labour sending areas, to offset the negative impacts of mining and improve the quality of life for both the mine employees and the mining-affected communities. Members of the community collectively participate in the process of verifying the SLP of a particular mine by comparing the stated outcomes with the lived experiences and realities of people on the ground. Evidence collected during the social audit is then reported to the responsible stakeholders at a public meeting and used as a

⁴ Statistics South Africa, "Mapela", 2011, accessed 17 January 2022, http://www.statssa.gov.za/?page_id=4286&id=13444.

⁵ Ibid.

vehicle for advocacy by the host community. Community testimony, knowledge, and experiences are a legitimate and central part of this evidence. A social audit provides a way to build effective and meaningful participation in poor and working-class communities by providing a means for communities to engage with the mine process that affects their lives.

They provide an opportunity for poor mining communities to be heard, and space for people who have been excluded, deceived, and cheated out of their benefits to interrogate the cogency of the mine's promises to the community. Mining companies are significant social players who account for a large portion of the South African economy. This power and financial muscle often allows mining companies the capacity to evade social responsibility using PR consultants and campaigns to produce glossy reports regarding their social commitments to the communities at which they operate. Their Corporate Social Investment (CSI) strategies are often synchronised with the Social Labour Plan (SLP) commitments, which may paint a good picture on paper, however, contradict the realities on the ground. SLPs are binding to companies and communities are empowered by the Mineral and Petroleum Resources Development Act⁶ MPRDA requires these commitments from the mining companies. The best methodology to interrogate the claims of mine companies is to conduct community-led social audits and collect evidence to verify the realities on the ground to potentially challenge the glossy PR reports.

Mogalakwena Mine has been operating in Mokopane since 1993. Nevertheless, the lives of the majority of those who live around the mine, in Mapela and Skimming, have barely improved since mining began in their community. Furthermore, residents of Mokopane who have been previously affected by relocations by Mogalakwena Mine complain about the manner in which those relocations took place due to the fact that their livelihoods have been worsened rather than improved by the relocations by Mogalakwena Mine. The aim of this social audit was to establish whether there has been any tangible and sustainable

⁶ *Mineral and Petroleum Resources Development Act 28 of 2002.*

development done by Mogalakwena Mine between the years of 2015 and 2020. SLP's are renewed every 5 years and by doing a Social Audit the community is better able to:

1. Assess the extent of compliance with the SLP within the community of Mapela.
2. Assess whether Mogalakwena Mine's SLP obligations are effective, efficient and provide sustainable goals to the community of Mapela.
3. Determine if appropriate measures exist that:
 - establish, monitor, and communicate the SLP process and procedures with the community,
 - ensure reliable information is available for all stakeholders involved including the Mapela Community,
 - establish and communicate roles and responsibilities for all parties involved.

WHAT IS A SOCIAL AND LABOUR PLAN?

A Social and Labour Plan (SLP) is a document that mining companies are required to submit to the Department of Mineral Resources and Energy (DMRE) as part of their application for mining rights. According to the MPRDA, mineral resources of the country are the common heritage of all who live in the country. Section 2 (d) of the MPRDA further states that its objectives are to 'substantially and meaningfully expand opportunities for historically disadvantaged persons, including women, to enter the mining and petroleum industries and to benefit from the exploration of the nation's mineral and petroleum resources'⁷. This emphasises the role of mineral resource extraction and operations as a pivotal means towards community development and women empowerment. SLPs, therefore, are the means by which mineral and petroleum exploration can benefit communities.

According to section 23 (1) (e) of the MPRDA, (as amended by section 19b of Act 49 of 2008), the Minister must grant a mining right 'if the applicant has provided financially and otherwise for the prescribed social and labour plan. The MPRDA further place duties on mining right holders:

Section 25 (2) (f) - Duty of holder of the mining right to comply with SLP;

⁷ *Mineral and Petroleum Resources Development Amendment Act 49 of 2008: Sec 2.*

Section 25 (2)(h), read with Section 28 (2) (c) - Duty of mining right holder to report annually on compliance with SLP.

Part II of the Mining and Petroleum Resources Development Regulations (Regulations) further provides for the regulations of SLPs. Section 41 (c) states that the objective of the SLP is to 'ensure that holders of mining rights contribute towards development of the areas in which they are in operation'. Further, section 46 (c) regulates the contents of the SLP and requires that they must include a Local Economic Development Programme (LED) comprising; (ii) the key economic activities of the area in which the mine operates and (iii) the infrastructure and poverty eradication projects that the mine would support in line with the Integrated Development Plan (IDP) of a local municipality and major sending areas. This report is limited to the contents of the LED section of the SLP, and the social audit focused on investigating this section.

An SLP is a five-year plan, which needs to be completed and can be renewed by a mine with the DMRE over a five-year period. Once it is approved by the DMRE it becomes a legally binding document, containing commitments made by the company on what it will do for both communities and workers. It also stipulates how and when commitments will be executed, as well as what the budgets are for promised interventions or activities⁸. It is therefore, one of the instruments to address South Africa's long history of inequality in the mining sector. In principle, SLPs should be drafted with the consultation of the communities, however, that is not always the case. In terms of Regulation 45, a mining right holder must convene a minimum of three meetings per annum with mining affected communities, as well as interested and affected persons to update these stakeholders about the progress made with the implementation of the approved SLP and the outcome of these meetings must form part of the annual reports⁹.

Despite the comprehensive and progressive laws in place, the reality is that although the SLP system has been in force for over twelve years, most communities affected by mining

⁸ *Mining and Petroleum Resources Development Act 28 of 2002: Mining and Petroleum Resources Development Regulations.*

⁹ Mining and Petroleum Resources Development Regulations: Sec 45.

still experience abject poverty and underdevelopment. This is partly because SLPs are often designed without adequate consultation with the communities that stand to benefit from the mining operations on their land. Furthermore, mining companies often neglect to deliver on all the SLP commitments, and the DMRE often does not follow up on these commitments or enforce them, to the detriment of mining-affected communities. The purpose of the SLP, therefore, is to promote employment, advance social and economic welfare, contribute towards transforming the mining industry and ensure that mining companies contribute to the development of the areas where they operate.

WOMAN IN MINING AFFECTED COMMUNITIES

Women who are not formally employed are the backbone of the functioning of mining-affected communities.¹⁰ The sustained employment of men and operation of the mine is indirectly dependent on women as they are heavily involved in social reproductive activities. Social reproductive activities refer to activities which enable their male counterparts to attend work in the mines. This includes activities such as house cleaning, cooking, maternal duties, et cetera. Although social reproduction is pivotal to the functioning of mining-affected communities (and, indirectly, the operation of mines), women are often excluded from decision-making processes as they are not formally employed by mining companies and there is a dominant belief that women are subservient to men in South African culture.

Men in mining-affected communities as such become the primary beneficiaries of mining activities. This is a norm in rural South African communities, as patriarchal structures are a mainstay in South African culture. In mining-affected communities, men are heavily involved in the operation of the mine itself, which provides them with employment and income. As a result, women in mining-affected communities become dependent on their male counterparts due to the lack of employment opportunities available to them. This impedes women's ability to accrue wealth and status in mining-affected communities. In some communities, such as in mining-affected communities in the Limpopo region,

¹⁰ Asanda Benya, "The invisible hands: women in Marikana", *Review of African Political Economy* 42, no. 146 (2015) at 545-560.

women are able to derive their independence from men through agricultural activities.¹¹ Produce can be farmed and sold, with the surplus earned being used as an income for women. This may be difficult in regions where mining activity has caused a loss of land. Women in these regions may find it difficult to find alternative income and therefore, remain dependant on males who are employed by the mine, and may resort to sex work - major economic activity taken up by women in mining-affected communities. Sex work exacerbates the spread of diseases such as Tuberculosis (TB) and HIV/AIDS which thrive in mining-affected communities. Women in sex work also are largely vulnerable to violence and exploitation by clients, and to social stigma due to the lack of regulation and the discreet nature of sex work.

METHODOLOGY

Data collection included both door-to-door surveying and physical verification. The survey was conducted through a 17-item household questionnaire with closed and open-ended questions. Any member of the household was eligible for an interview. These communities were represented by participants as shown below:

Community	Number participants
Mogalakwena	
Leruleng	77
Skimming	50
Old Skimming	55
Total	182

¹¹ Mark Curtis, *Precious Metal: The Impact of Anglo Platinum on poor communities in Limpopo, South Africa* (South Africa: ActionAid, 2008).

Of the total number of participants interviewed amongst the households surveyed there were 115 women (63%) and 67 men (37%) interviewed. It's uncertain how many of the people surveyed have at least one person in their household that works at Mogalakwena, however the Local Municipality of Mogalakwena has a youth (15-35 years of age) unemployment rate of 51.7% which is largely attributed to the reduction in mining activities in recent years.

Community members were trained on SLP interpretation, social audit methodologies, and designing surveys. The questionnaire was designed and followed by a training of community organisers who would conduct the household interviews. During the training, the community organisers had an opportunity to test the questionnaire and agree on ways to probe particular questions. The training, which was facilitated by ActionAid South Africa (AASA) and MACUA WAMUA Advice Office (MWAO), was also used to solicit the community views on what future inquiries would focus on. The training was conducted from 4-8 March 2019 and data collection occurred specifically on 6th March 2019. Interviews were held in the households. After the fieldwork, a de-brief meeting was conducted where all data collectors discussed issues arising from the survey, challenges, and strategies for making future community inquiries more effective.

Data entry for completed surveys was conducted by MWAO for analysis of the quantitative variables. Theme analysis and quantifying common responses was conducted for the qualitative variables.

The approach for this social audit included the following steps:

1. Holding a mass meeting and establishing a mandate
2. Preparing and organising the participants
3. Training participants
4. Analysing the Social Labour Plan
5. Developing and testing the social audits questionnaire
6. Gathering evidence
7. Capturing community experiences and testimonies
8. Agreeing on the main findings and organising evidence
9. Reflecting and follow up

WHAT MOGALAKWENA MINE COMMITTED TO UNDERTAKE DURING THE SLP YEARS AUDITED (2015-2020): LOCAL ECONOMIC DEVELOPMENT (LED) SECTION

1. Infrastructure Projects

a. Installation of Solar Street Lights

- Engagement was done with the community and Mogalakwena Local Municipality
- Mogalakwena Mine committed to make provision for the design, project management, supply, delivery, and erection of the high mast lights
- Goal was to contribute to the safety of communities and employees
- 20 jobs will be created in the process
- Budget: R23 000 000.00
- 2016-2019

b. Ga-Pila Sanitation Project

- Committed to improve sanitation facilities at Ga-Pila by installing a mobile wastewater treatment plant and purchasing a 7000L honey sucker for the upliftment of the waste from the septic tanks and transport to the water treatment plant.
- In partnership with the Ga-Pila Development Trust who will take over maintenance and the running of the plant once installed.
- 10 jobs will be created in the process.
- Budget: R5 500 000.00
- 2016

c. Mogalakwena Water Provision

- Goal to provide clean and sustainable water to Mapela Community (22 villages)
- 40 jobs will be created in the process
- Budget: R31 079 601.00
- 2017-2020

d. Construction of water and sanitation facilities in schools

- Committed to install sanitation facilities in schools, working together with the Department of Education and Mogalakwena Local Municipality, inclusive of a chamber suitable for receiving and processing sewage.
 - Villages identified: Ga-Manuel, Mmalepetleke, Ga-Masenya, Machikiri and Armoede
 - 20 jobs will be created in the process.
 - Budget 7 912 000.00
 - 2016-2019
- e. Upgrade and extension: Additional classrooms and Admin blocks at John Pedro, Langalibalele, Mphunye, Maleya and Mmalepetleke Schools
- Committed to contribute towards school infrastructure and whole school development in host communities
 - Refurbish John Pedro and Mmalepetleke schools due to overcrowding
 - 15 jobs will be created in the process
 - Budget: R15 000 000.00
 - 2017-2020
- f. Construction of the New Seritarita School
- Committed to contribute R5 000 000.00 to the Department of Education to build the school in Skimming Village.
 - 15 jobs may be created in the process.
 - 2016
- g. Construction of Mmalepetleke Sports Complex
- Committed to build a sport complex inclusive of a soccer field and athletics track, 1 500-seater Grand Stand, combi courts (Netball and basketball), volleyball courts, ablution facilities and change rooms, construction of gymnasium, surfaced access road, drilling and equipping of borehole, installation of 50kl elevated steel tank, water and sewer connection and electricity connection.
 - 93 jobs to be created in the process.

- Budget: R8 650 000.00

- 2017-2019

2. Education and Skills Development

a. Support Learner Development and material supply

- Committed to support the Department of Education to build content & pedagogical knowledge/capacity of teachers, content knowledge of learners & management capability of school leadership (75 trainees/year X 5 years = 375 trainees). Supplement Grade 12 2015 Learners Content Gaps (Mathematics, English, Physical Science etc.) with access to 'extra education digital support', Shortages, Facilitate Curriculum Advisor & Peer Support & Collaboration, 24/7/365 Access to supplementary education digital resources.

- Budget: 25 000 000.00

- 2016-2020

3. Generating Projects

a. ICT training and internet café

- Committed to implementing a project inclusive of ICT training and internet café business, in the Molekane community in Mogalakwena.
- Providing connectivity and access –computers and internets, printing and value-added business services and training and skills development to unlock further opportunities.

- 6 jobs to be created in the process.

- Budget: R1 500 000.00

- 2017-2019

4. Social Welfare

a. Support to improving health services in schools

- Contribute R3 000 000.00 to the Department of Health

- 2017-2018

b. Support to community home based care programme

- Contribute R4 000 000.00

- 2017-2020

c. Support and improve capacity in Primary Health Care Clinics

- Committed to, in consultation with the Limpopo Department of Health, two clinic projects which form part of the 2010-2015 SLP in the Sekuruwe and Nadeli communities, further support clinics to ensure they meet the Ideal Clinic standard
- Budget R3 000 000.00
- 2017

RESULTS AND DISCUSSION

The results of the social audit (see Appendix A) were analysed in relation to the commitments made by Mogalakwena mine in their SLP. This includes an analysis of awareness and knowledge of SLPs (inclusive of a gendered perspective), the Adult Basic Education and Training (ABET) programme, and the installation of streetlights. There is no legal obligation on mines to provide communities with copies of their Annual Compliance Reports.¹² Therefore, it is important to evaluate the progress of SLP commitments by analysing community perceptions of commitments made in the SLPs.

Consultation

Out of 182 people, 20 people (11%) knew what a social and labour plan is. Out of those 20, only one person was able to provide a definition of what an SLP is, bringing into question whether the other respondents were aware what an SLP is. 162 people (89%) did not know what a social and labour plan is and had never heard of it before. This is indicative of the lack of a relationship between the mine and the community at large. Of the total number of people only 6 (3.3%) of the respondents had been consulted by Mogalakwena Mine during the process of formulating the SLP. The majority of people had never been consulted regarding the formulation of the SLP. And of those that were consulted on what an SLP is, what it does and the projects in the current SLP of

¹² A document that mining companies submit to the Department of Mineral Resources and Energy outlining the progress of mining companies in relation to the implementation of SLP projects.

Mogalakwena, were informed by the Centre for Applied Legal Studies (CALs), Oxfam and other lawyers that had come to their village.

In their SLP, Mogalakwena Mine assert that “a broad stakeholder consultation and engagement was done as part of the development of this Social and Labour Plan”, however that was not the case as can be seen above. It is typical for a mining company to consult only with the traditional leadership structure in a village with the expectation that the traditional leadership structure will then pass along the message to their constituency. This practice is highly problematic because when the community gets the message, they are not being consulted. A message from the mine is simply being relayed to them which then conflicts with the precepts of the MPRDA in that there is no meaningful consultation taking place, neither with the traditional leadership structure which can then be said to be taking decisions on behalf of the community (they do not air out the frustrations of the community as the community would outline them in such a consultation). When the message is being relayed, community members aren’t being given a chance to ask questions and engage on the contents of what they are being told because the mine is not present and cannot in those sittings address various concerns. Only 8 people (4.4%), out of 182, were aware of the contents of Mogalakwena’s SLP and admitted to having seen the SLP of Mogalakwena Mine before. This being indicative of the fact that had communities been aware of the SLP, more people would possibly have been aware of the specific SLP that was being audited and the programmes within it. Furthermore, imbalances are present between genders in the understanding and knowledge of SLPs.

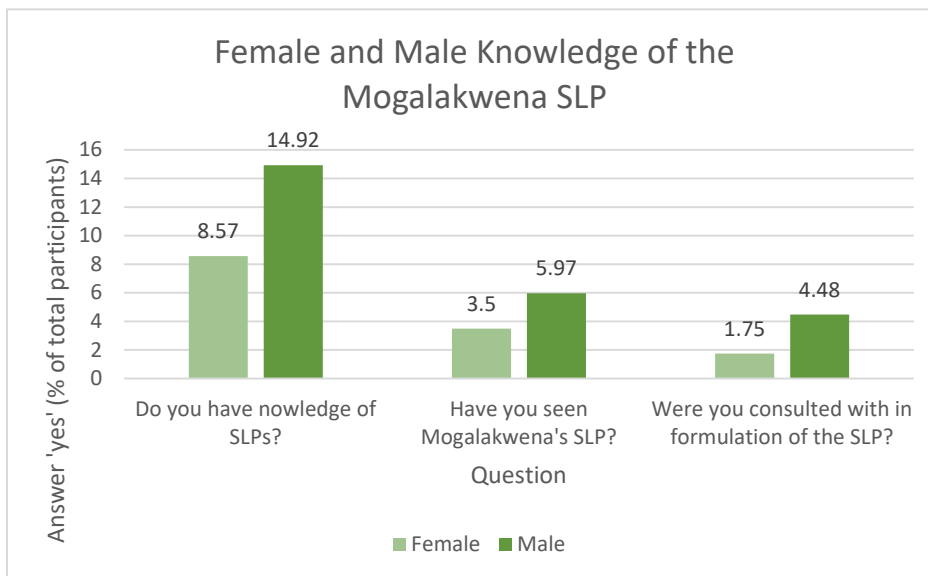


Figure 2: Gendered comparison of knowledge of Mogalakwena Mine's SLP

The Figure above illustrates a comparison between female and male understandings of SLPs in the Mokopane community. Although fewer males than females participated in this study, the sample of participants in the community indicates that males clearly have a better understanding of SLPs than females. This is illustrated in the Figure above as males answered 'yes' more frequently than females to questions asked about SLPs in the questionnaire utilized for this study. Firstly, 14.92% of male participants indicated that they have some knowledge of SLPs compared to 8.57% of female participants. However, only 5.97% of male participants indicated that they have seen Mogalakwena's SLP (compared to the even lower 3.5% of female participants). Lastly, more than double the number of male participants (4.48%) were consulted with in the formulation of the Mogalakwena SLP in comparison to female participants (1.75%).

It is clear that the stakeholder engagement process was not gender inclusive in the formulation of the Mogalakwena SLP. Males have a clear advantage over females in the understanding and insights of SLPs in Mokopane. This is due to the failure to adequately integrate women in the consultation process in the formulation of the SLP. Failing to adequately integrate females in the formulation of SLPs is detrimental to mining-affected

communities as women are often their backbone. Women operate in the care economy which enables their male counterparts to work in mines. Women not only (indirectly) enable the operation of mines, but also endure first-hand experience of the impacts associated with mining activity as the majority of their time is spent in the community. Educating females, firstly, about what an SLP is will empower them to advocate for improved living conditions for themselves. Secondly, exposing females to Mogalakwena's SLP will allow women to understand what rights are being infringed. Lastly, including females in the consultation process in the initial consultation process would provide a more robust and inclusive SLP that accounts for the needs of the broader community.

Adult Basic Education and Training (ABET) Programme

Mogalakwena Mine committed to admit 375 community members to Adult Basic Education and Training (ABET) classes during the 5 years of their SLP. 40.7% of the participants were aware that the mine had promised to sponsor 900 community members in attending vocational learning (ABET). Whereas 59.3% did not know about this commitment by Mogalakwena Mine. This again speaks to the lack of consultation of the community. However, 69 people were told of the project, but not through the mine. When asked how they found out about it, 43.2% did not recall, 2.7% found out by seeing people going to school for the ABET classes, 12.2% found out from the development structure, 4.1% found out from the councillor at a community meeting and the majority (31.1%) found out from the traditional structure (Kgoro). The traditional structure at a meeting for the community, told people that there were ABET classes being conducted by the mine and told people to attend. The number of community members due to attend the vocational training was misconstrued by the community, which might not have happened had the information come directly from the mine. Therefore, it is important for the host communities to have strong relationships with the mine, and not only the traditional leadership structures in those communities. Nevertheless, it appears that there are people from the community who did attend the ABET training.

However, 47.3% did not know what criteria was used to select the community members who would be attending ABET classes, whereas 25.7% said that there were no criteria, 20.3% asserted that people were selected at the traditional structure (Kgoro), and 6.8% said that they heard that anyone that was interested could apply. From this we are better able to understand the manner in which information is shared and the extent to which people understand that there are projects being carried out in their community by the local mine.

Although it is difficult to ascertain the number of people that attended the training without confirmation from the mine, it can be said that there were people who attended and that there were certificates that were issued to the participants because 63.5% of the respondents were certain that the training was done somewhere in Mokopane town, and 40.5% of the respondents commented that there was a certificate issued for attendance of the ABET vocational learning. While 27% of the respondents were adamant that a certificate had not been issued to participants. This shows that there could be some who did not know where to get their certificates for the course because there was also uncertainty as to where the trainings were held, or that due to the different locations at which ABET was conducted it was difficult to centralize the issuing of certificates.

The majority of people did not know what levels were done, while most that did know were certain that Level 1 had been on the agenda between 2016 and 2019. Which is indicative of the mine seeking to address the pervasive issues of education in the Mogalakwena Local Municipality. However, 31.1% of the respondents asserted that there were no benefits after the training, while 10.8% noted a monthly stipend of R2000.00 to those who participated, and 58.1% did not know if there was any benefit after the training. Those who received the R2000.00 monthly stipend might have also enrolled for a learnership at the mine using their gained knowledge and skills, but that is not entirely clear.

Mogalakwena Mine was asked for their annual compliance reports in order to verify the number of individuals that attended ABET, however this information was not provided to MACUA WAMUA. The information in the annual compliance reports is integral to

understanding what the numbers of students from the community were and if they are reflective of the aspirations of the MPRDA and SLPs.

Installation of Solar Street Lights

The mine committed to installing solar streetlights in Ga-Molekana, Ga-Chaba, Skimming and Leruleng villages due to issues with electricity and given that Limpopo generally has high temperatures and receives lots of sunlight throughout the year¹³, it makes sense that they would strive to make this alternative a realisation. 74.7% of the respondents were aware that Mogalakwena Mine had committed to install solar streetlights for different villages between 2016 and 2019, whereas 25.3% did not know of this commitment. Nevertheless, it seems from the data gathered that the majority of people found out from the traditional structure that the project would be taking place and the majority of respondents noted that the project took effect in 2018. However, out of 136 people, 49 people (36%) were happy with the quality of the installation, while 86 people (63.2%) were not satisfied with the workmanship. Many complained that the project was never finished and that the lights are non-operational the majority of the time. Mogalakwena Mine was supposed to spend approximately R23 000 000.00 on the installation of the lights in the different villages, but most people were unaware of the budget allocated to the project. Only 4 people (2.9%) said they were aware of the budget that was set aside for the project, and of those 4 only 2 have different amounts as it relates to the budget, 1 saying R50 000.00 was budgeted and the other saying R1 000 000.00 was budgeted. This shows that there was no certainty on the budget of the project amongst community members, because additionally 97.1% of the respondents did not know what budget was allocated to the project. Due to the poor quality of the streetlights that have been erected (many of which remain dysfunctional), it is uncertain whether the stipulated budget (or a lower sum) was used for the project.

13

<https://www.google.com/search?q=limpopo+cimate&oq=limpopo+cimate+&aqs=chrome..69i57j46i175i199i512l2j0i512j46i512j0i512j46i175i199i512l2j0i512.12027j0j7&sourceid=chrome&ie=UTF-8>, accessed on 14 February 2022.

When asked whether the solar streetlights are being maintained, in 2019, only 5.1% agreed, while 87.5% dissented. 31 people (22.8%) did not know and 6 people (4.4%) did not provide an answer to the question. If there were solar lights that were functional then it would only make sense for the majority of people to note that the lights are well maintained, however this is not the case in Mogalakwena.

INTEGRATED REPORTS DISCUSSION

Integrated reports are developed by mining companies to provide a holistic assessment of the company's ability to create value. The report includes information from full governance and remuneration reports and supplementary reports. In addition, integrated reports also include non-financial aspects. Non-financial aspects may potentially impact the operation of mines, such as the perceptions of stakeholders¹⁴. Annual Integrated Reports are therefore drafted with the intention of appealing to a wide range of stakeholders, including employees, local communities, non-governmental organisations (NGOs), customers and government.

Anglo American claims that they are committed to working with all of their stakeholders to promote good governance and responsible use of mineral resources. The company claims that achieving their strategic objectives requires effective and inclusive engagement with their stakeholders. Their approach to achieve this is through localised stakeholder engagement plans that¹⁵:

- Identifies and assesses affected stakeholders and communities
- Engages in way that respects community conventions, customs and gender relations and accounts for underrepresented entities
- Provide sufficient information to help stakeholders understand potential and actual impacts of mining activity
- Incorporates stakeholder perspectives in decision-making processes

¹⁴ Anglo American Platinum Limited, "Integrated Report 2015", accessed 17 December 2021, <https://www.angloamericanplatinum.com/investors/annual-reporting/reports-archive/>, at 28.

¹⁵ Ibid.

- Summarises methods to track records of all engagement activities, issues raised, outcomes, and commitments.

An outline of issues raised from 2015 to 2020 through stakeholder engagement and Anglo American's response was recorded in the company's annual integrated reports for each of those years. Although issues and responses were mostly legitimate, some discrepancies were noted in the analysis of the annual issues and responses raised. In particular, there were a number of issues raised in more than one year between 2015 and 2020. These repeated issues include concerns about employment and procurement^{16,17,18,19,20}, the legitimacy of groups engaging with Amplats²¹, and the relocation of households in the Motlhothlo village²².

Host communities around Anglo American's mines in Mogalakwena raised an issue of employment and procurement opportunities every year between 2015 and 2020. On the one hand, this may be due to the scarcity of job opportunities in the region and the bias of the company to employ people from other regions rather than the local community to which they have promised employment opportunities. On the other hand, stating the issue and Anglo American's response in their integrated report every year may paint a positive picture of the company's stakeholder engagement practice. As they state every year, they are continuously engaging with the relevant affected parties²³. Rather than providing a solution the first time that the issue was raised (for example promising that the mine will always employ a certain percentage of their workforce from the local community), stating their response to the same issue emphasises the company's engagement practices as an ongoing process. Alternatively, Anglo American could have promised to employ a

¹⁶ Anglo American Platinum Limited, "Integrated Report 2015", accessed 17 December 2021, <https://www.angloamericanplatinum.com/investors/annual-reporting/reports-archive/>, at 29.

¹⁷ Anglo American Platinum Limited, "Integrated Report 2017", accessed 21 December 2021. <https://www.angloamericanplatinum.com/investors/annual-reporting/reports-archive/>, at 22-25

¹⁸ Anglo American Platinum Limited, "Integrated Report 2018", accessed 21 December 2021. <https://www.angloamericanplatinum.com/investors/annual-reporting/reports-archive/>, at 10-14

¹⁹ Anglo American Platinum Limited, "Integrated Report 2019", accessed 22 December 2021. <https://www.angloamericanplatinum.com/investors/annual-reporting/reports-archive/>, at 24-30

²⁰ Anglo American Platinum Limited, "Integrated Report 2020", accessed 23 December 2021. <https://www.angloamericanplatinum.com/investors/annual-reporting/reports-archive/>, at 64-68.

²¹ Ibid.

²² Ibid.

²³ Ibid.

notable number of community members, but opted not to consider this, resulting in the community raising the same issue every year.

Anglo American stated that they responded to this issue every year through continuous engagement with affected parties via their social response team to ensure that the local communities are prioritised for procurement and employment is created outside of mining to reduce dependence on the mine²⁴. This may be linked to the poor performance of Anglo American's Adult Basic Education and Training (ABET) programme in the Mogalakwena community. As this study has shown, participants were generally unaware of the ABET programme offered by Anglo American. This could be due to a restriction placed on the number of enrolments in the programme, as the participants in the ABET programme may be eligible for employment once their participation is complete. In order to cope with the capacity of employment opportunities available, limiting the number of qualified individuals while continuing their service to the community is a viable option for Anglo American. In addition to the concern about employment and procurement, which is continuously raised, Anglo American also states that they are engaging in issues regarding the relocation of households in the Motlhothlo Village²⁵. The Motlhothlo Village happens to be located on land that Anglo American has been approved to mine. The company has therefore been engaging with the community since 2017 (this issue appears in every annual integrated report between 2017 and 2020) to move them to a nearby farmland so that Anglo American can mine the land on which the community is currently located²⁶.

The response to concerns by the community about employment and procurement and the relocation of households is ambiguous and a recurring concern to the Mogalakwena community. The legitimacy of groups engaging with Anglo American is an issue that was raised every year from 2017 to 2020²⁷. There are no further details regarding which individuals of communities are being engaged with. The concern about their legitimacy

²⁴ Ibid.

²⁵ Ibid, at 21.

²⁶ Ibid.

²⁷ Ibid.

may stem from the implications of these individuals having a bias towards the mining company, who may have influenced them to approve certain decisions without adequate consultation with the rest of their community²⁸. Anglo American's response to the concern regarding the legitimacy of these groups was that an agreement was reached, and compensation was paid to the affected communities²⁹. Again, no further comprehensive information and explanation is given as to why compensation would be required to solve the legitimacy of groups engaging with the company. This is concerning as this practice can potentially divide the community and fracture solidarity in holding the mine to account for commitments made.

In 2020, an issue was raised by traditional leaders for the first time. The issue raised was stated in the annual integrated report as "Improvement of the host communities' livelihood" to which Anglo American responded by simply defining SLP projects³⁰. It is unclear why this issue was raised by traditional leaders; perhaps because the integrated report provides a cryptic statement of the issue with no specific area or community stated. The mine responded to the issue with a definition of an SLP without a context about how the SLP will be implemented or any further details thereto³¹. It is also unclear why this issue was raised by traditional leaders, whose legitimacy is also challenged by the host communities. Anglo American did not explicitly report on the projects outlined in their SLP for Mogalakwena in their Annual Integrated Reports. Therefore, the progress of the LED projects is unclear from their reporting, nor can the spending and impact of the projects on the community be comprehensively scrutinized in the absence of compliance reports. Anglo American remained unresponsive when MWAO MACUA requested for compliance reports.

²⁸ ActionAid (2021), "Manganese Matters: A metal of consequence for women and communities in South Africa affected by mining and the global energy transition", <https://actionaid.org/publications/2021/manganese-matters>, at 39.

²⁹ Ibid. at 21.

³⁰ Anglo American Platinum Limited, "Integrated Report 2020", accessed 23 December 2021, <https://www.angloamericanplatinum.com/investors/annual-reporting/reports-archive/>, at 66.

³¹ Ibid.

CONCLUSION

This report illustrates that, although the Mogalakwena mine has made attempts to fulfil obligations stated in their SLP, the sustainability of those projects is in question. The majority of participants in this study have only noted ABET Level 1, while the solar streetlights are not of satisfactory quality. The implementation of these projects is also questionable as neither of them live up to the expectations set out in their framework. This may be due to the lacklustre consultation practice employed by the Mogalakwena Mine. The community sample that participated in the formulation of this report indicated an overall poor understanding of SLPs. Furthermore, most of the respondents who had some knowledge on SLPs were males. This lack of knowledge by the community as a whole is an indication of the inability of the Mogalakwena Mine to adequately provide important information to all members of the community. In addition, an analysis of Anglo American's Annual Integrated Reports from 2015 to 2020 illustrates continuous issues raised by the community and the mine's responses to these issues being ambiguous. The integrated reports also illustrate that engagement mechanisms with the community are also ambiguous, as the legitimacy of the groups engaging with the mine is an issue raised by the surrounding host communities. While the Annual Integrated Reports provides an outline of issues raised and the company's response, it does not explicitly report on the progress of SLP commitments. Anglo American failed to provide the Social Audit Team with compliance reports, which stipulates the company's progress in implementing the commitments made in their SLP.

APPENDICES

Appendix A: Observations and Results

ITEM	QUESTION	ANSWER
DEMOGRAPHICS	Gender	M = 67 F = 115
CONSULTATION	Do you know what a social and labour plan is?	Yes = 20 No = 162
	Have you ever seen Mogalakwena Mine's SLP?	Yes = 8 No = 174

	<p>Have you ever been consulted by Mogalakwena about the formulation of the SLP?</p>	<p>Yes = 6 No = 175 N/A = 1</p>
	<p>If yes, explain</p>	<p>OXFAM = 1 CALIS = 1 Lawyers = 3 N/A = 1</p>
<p>ABET TRAINING PROGRAMME</p>	<p>Do you know ABET level 1-3 that was committed to sponsor 900 community members between 2016 and 2018?</p>	<p>Yes = 74 No = 108</p>

	If yes, how did you know about it?	Development structure = 9 Kgorong = 23 Saw people going to school = 2 Councilor = 3 Not given = 5 Don't know = 32
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	What was the criteria used for selecting people?	Anyone interested could apply = 5 Selected at Kgorong = 15 No criteria = 19 Don't know = 35
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	Where was the training done?	Mokopane Town = 47 Mapela Hall = 6 Better Best College = 6 Hans Masibe Primary = 2 Don't know = 13
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	<p>Which level was done and which year?</p>	<p>Level 1, 2016 = 13 Level 1. 2018 = 1 Level 1, 2011 = 1 Level 1, 2019 = 1 Level 1-4, 2018 = 1 Level 1 – 2, 2018 = 2 No answer = 3 Don't know = 52</p>
	<p>Was there any certificate issued?</p>	<p>Issued = 30 Not issued = 20 No answer = 2 Don't know = 22</p>

	What were the benefits after training?	Nothing = 23 R2000 per month = 8 Don't know = 43
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INSTALLATION OF SOLAR STREET LIGHTS	Do you know Mogalakwena committed to install solar street lights for different villages between 2016 and 2019?	Yes = 136 No = 46
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	<p>If yes, how did you know and which year was it installed?</p>	<p>2018 = 63 Kgorong, 2018 = 41 Kgorong = 10 Development structure, 2018 = 9 Mapela Show Ground = 3 Don't know = 10</p>
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	<p>Are you satisfied with the quality?</p>	<p>Yes = 49 No = 86 Don't know = 1</p>
	<p>Do you know how much was budgeted for this project? If yes, explain</p>	<p>Yes = 2 R50 000 = 1 R1 000 000 = 1 Don't know = 132</p>

	Do you know anyone from the community who worked for the project?	Yes = 133 No = 3
	Are the streetlights maintained?	Yes = 7 Not maintained = 119 No answer = 6 Don't know = 31