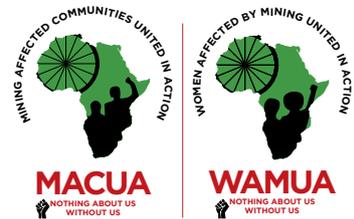




# SOCIAL AUDIT SUMMARY

## KRAALHOEK: KALAKA MINING 2022





## BACKGROUND

A social audit is a community-led process in which mines are evaluated on their progress towards the promised implementations made in the Social and Labor Plan (SLP) for the communities in which they are operating. While a Social and Labor 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 Section 2 (d) of the MPRDA, the main objective of the Social and Labor Plans 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’. Therefore, a social audit that is carried out by the communities’ monitors the extent to which mines have complied with the promises they have made on their Social and Labour Plan.

## METHODOLOGY

Data collection included both door-to-door surveying and physical verification. The survey was conducted through a household questionnaire with closed and open-ended questions. The Social Audit Team surveyed three communities in Kraalhoek: Pote, Ramokgaba and Baleng. A total of 532 households surveyed, 294 (55.3%) of whom were women

and 238 (44.7%) men. A training with community members was conducted on SLPs, social audit methodologies, and designing surveys. The questionnaire was designed in collaboration with the social audit team. During the training, the community organisers had an opportunity to test the questionnaire and agree on ways to probe questions. The training was conducted from 21 – 22 April 2021; data collection occurred on 23 April 2021, and preliminary analysis was done on 24 April 2021. Following the fieldwork, a de-briefing meeting was conducted where all data collectors discussed issues arising from the survey, challenges, and strategies for making future community inquiries more effective.

---

## What Kalaka mining committed to undertake during the SLP years audited (2016-2020): Local economic development section

### KRAALHOEK WATER PROJECT



#### Phase 1 – Focus on borehole 1

- Commitment to erect two x 10,000 Litre JoJo water tanks within 500m of said borehole, to feed into the existing pipeline.
- Commitment to do maintenance on existing pipelines (blue, yellow and black) and taps.
- Build in drinking troughs for animals, with a ball valve (to control water supply).



#### Phase 2 – boreholes 1-3

- Commitment to equip the community with a 3.7kW submersible pump and connect a 10,000 Litre JoJo water tank.
- Investigate new pipeline from borehole 1 to borehole 3 which will be used for emergency use.



#### Phase 3

- Investigate further water supply, using the school’s borehole 2 and another borehole “4” which is not in use and has two 2000 Litre water tanks and 2 unused pipelines and taps.
- Proposed to install a submersible pump by borehole 4; if JoJo water tanks are unusable then commits to replace the tank along with pipeline. If not viable, borehole 4 water supply will be incorporated into boreholes 1 and 2 water supply.

No budget was allocated to this project in the SLP.

<sup>1</sup> Mineral and Petroleum Resources Development Amendment Act 49 of 2008: Section 2.

---



## **FINDINGS FROM THE SOCIAL AUDIT**

The below undertakes a process of evaluating the level of knowledge and compliance around local economic development projects committed to by the mine and audited during the social audit. Physical inspections of the project and its site were undertaken.

### **Consultation**

- 502 (94.4%) of the 532 people surveyed had never heard of an SLP and only 25 (4.7%) people knew that such a document existed.
- None of the respondents had ever seen an SLP from Kalaka Mining.
- Only 8 (1.5%) of the respondents noted ever having been consulted by the mine while 98.5% had never been.

### **Water Project**

- 491 people (92.3%) did not know of Kalaka Mining's commitment to erect 10,000L Jojo tanks around the

community of Kraalhoek.

- 524 respondents (96.8%) were unaware of Kalaka Mining's plans to fix the pipelines and install new pumps to improve the water pressure and flow of water from the various boreholes to the JoJo tanks.
- 477 respondents were not satisfied with the quality of the water, indicating that the water was murky and full of lime, salty, unhealthy, made them sick, and had a bad taste.
- Only 55 (10.3%) of respondents were happy with the water quality.
- 157 respondents (29.5%) stated that there were no functional boreholes in the Kraalhoek community, while 128 respondents (24.1%) noted that there were 2 functional boreholes in the community.

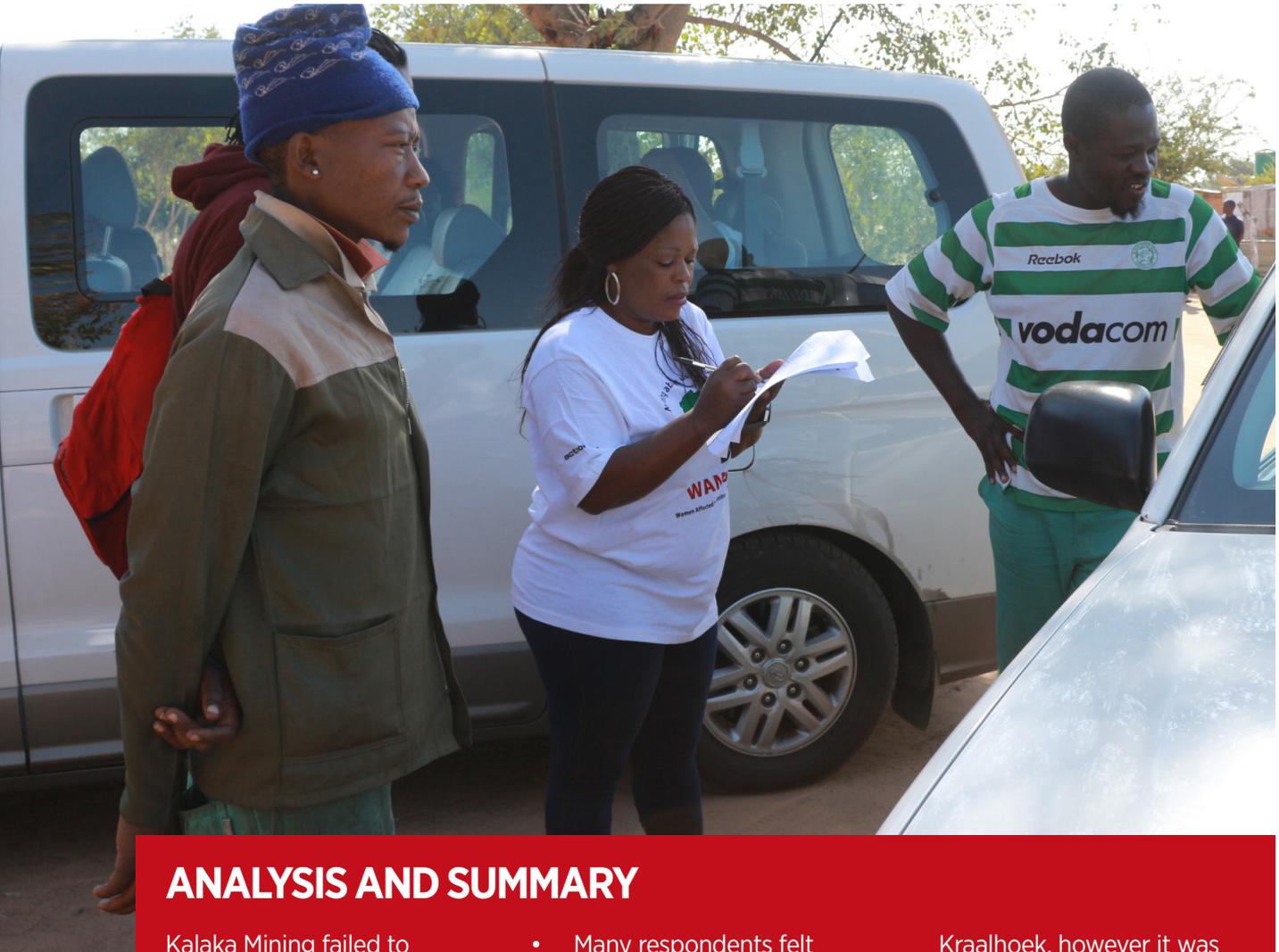
### **General**

- 347 (65.2%) of the respondents noted that the community had not benefited anything substantive from

Kalaka mining.

- The respondents that noted benefits from Kalaka Mining only amounted to 18 (3.9%) of the total number of participants. While some respondents noted that the local school had been renovated by Kalaka Mining (although none of them specified what renovations were done to the school), others noted that Kalaka Mining brings water and machines to clean the yards of community members when there are functions happening in the village.
- 467 of the respondents were aware of the open pits, and all of them had negative feelings towards their presence in their community. A further 94.4% explained that they feel like the open pits need to be closed.
- 33.1% of the respondents had family or had personally lost land due to mining operations, but none of them had been compensated as a result of that loss of land.





## ANALYSIS AND SUMMARY

Kalaka Mining failed to fulfill their legally binding obligations in accordance with the 2015-2020 SLP.

- The social audit report clearly indicates that there are no consultations happening between Kalaka Mining and the Kraalhoek Community as far as the projects they wish to be implemented in their communities are concerned.
- Many respondents felt that the open pits and unhealthy drinking water are a result of Kalaka Minings operations, Which is concerning because it indicates that the safety of community members is not a priority for the mining company.
- The water project that was due to be undertaken by Kalaka mining would have been highly beneficial to the residents of Kraalhoek, however it was not implemented by the mining company.
- None of the affected communities have a relationship with the mine that they can leverage in order to dictate the projects that they would like to see benefiting them on a local economic development scale or make follow-ups on past projects.