



TRANS-CALEDON TUNNEL AUTHORITY

**CONSULTING SERVICES FOR THE MOKOLO CROCODILE
WATER AUGMENTATION PROJECT PHASE 2
(MCWAP-2)**

CONTRACT № TCTA 20-041

SOCIO-ECONOMIC BASELINE REPORT

June 2021

GBN JOINT VENTURE

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The Research Team, which comprised of nine Historically Disadvantaged Individuals (black professionals); five females and four males. The Team worked tirelessly, sometimes under very difficult circumstances, in particular under COVID-19 restrictions.

The Study Participants, which included but not limited to, mines, State-owned Enterprises, Thabazimbi and Lephalale Local Municipalities, Waterberg District Municipality, Traditional Authorities, the impacted landowners, and various community-based organisations.



Email. jimmy@bapuleng.co.za

Website. www.bapuleng.co.za

Tel. +27 (0)72 655 9152

MOKOLO CROCODILE WATER AUGMENTATION PROJECT PHASE 2




(MCWAP-2)

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SOCIO-ECONOMIC BASELINE REPORT

EXECUTIVE SUMMARY

1. Introduction

The MCWAP-2 entails the implementation of a water transfer system between the Crocodile River (West) at Thabazimbi and points of supply in the Lephalale area. It includes abstraction works, pumping stations, a river management system and pipelines as well as the associated infrastructure and the implementation of measures to mitigate the impact of the Project on both the natural and social environment. The augmentation is required to supply water to coal-fired power stations, including related mining operations and associated developments. The Water Transfer Infrastructure (WTI) is largely located on privately-owned properties that are mainly used for agriculture and game-farming.

The Project is located between the towns of Thabazimbi and Lephalale in the Waterberg District of Limpopo Province. Each town falls within a separate municipality with the same name, namely Thabazimbi Local Municipality and Lephalale Local Municipality.

2. Background to the Study

A socio-economic baseline study was undertaken to address several challenges that are anticipated as a result of the Project, based on the experience of the MCWAP-1 and other similar infrastructure projects in the area. These challenges can have far reaching negative impacts on the Project and people's lives, including time delays, landowners' safety, and unexploited Project benefits to the local communities. It is therefore important to identify the challenges and social risks and incorporate them into Project planning, manage and mitigate the impacts and provide adequate budget and resources to address these prior to construction, during construction, and through to the closure stages of the Project.

The challenges anticipated to the Project are as follows:

- Unrealistic community expectations about Project benefits such as labour recruitment and business opportunities;
- Opportunistic community members trying to manoeuvre personal gain from community-wide benefits such as preferential procurement and community development projects, as has been observed in other infrastructure development projects;
- Inability of business and labour skills to take up opportunities provided by the Project due to insufficient experience and relevant skills;

- Conflict between community members and workers brought to the Project from outside the project area;
- High possibility of local communities and business forums disrupting the Project;
- High possibility of riots and strikes due to political and service delivery issues; and
- High possibility of the Project attracting disruptive business forums within the project area and outside the Project area. This is a current growing phenomenon experienced in mega projects within the country.

The approach adopted in the study will facilitate the development of sustainable livelihoods and strengthen communities in ways that will build their resilience to withstand potential negative project impacts. In addition, the Project will establish mutually beneficial relationships in the project area which will ensure a safe working environment, project social license to operate and limit disruptions during the project life cycle.

The baseline study undertaken investigated the existing socio-economic circumstances in the project area in order to identify the risks and opportunities, and to proactively establish a Project Socio-Economic Response Plan. This would mitigate the related risks and ensure realisation of opportunities that will arise from implementation of the MCWAP-2.

In order to achieve this, the following focus areas were studied and analysed:

1. Social Status Analysis;
2. Business and Labour Survey;
3. Socio-political Climate Analysis;
4. Analysis of Disruptive Business Forums, Profiles of Existing Business Forums, Businesses and Community Structures;
5. Security Profiling; and
6. Community Development and Livelihoods Needs Assessment.

3. Methodology

The study involved the collection of primary and secondary data to describe and analyse the socio-economic conditions of the project area. A predominantly qualitative approach was employed in order to uncover peoples' opinions, thoughts and perceptions. This was achieved largely through conducting interviews. A quantitative approach was employed where measurable data was needed to defend or support claims. This was achieved largely by using Stats SA data.

Desktop research involved the search for municipality databases of skills, Integrated Development Plans (IDPs), specialist reports, publications and library materials and Statistics South Africa (Stats SA) data. Primary information was gathered through surveys and interviews. A different set of questions was asked for each study area along with a set of standard questions that was asked across all study areas.

Those interviewed included people who and institutions which are likely to be directly or indirectly affected by the project implementation as well as those who are knowledgeable of the area and/ or interested in the project. Stakeholders interviewed included community forums, business forums, landowners, private entities, parastatals, local politicians and local and traditional authorities. A total of 141 interviews were conducted. These 141 individuals interviewed were from 119 institutions across 23 stakeholder groups.

4. Social Status Analysis

Population

The population of Limpopo Province increased by 11% between 2007 and 2016 from 5 238 286 in the 2007 CS to 5 799 090 in CS 2016. This drastic increase can be attributed to in-migration related to the development of the Waterberg coalfield, resulting in skills development centres and job opportunities in Lephalale Local Municipality (LLM). Thabazimbi Local Municipality (TLM) has experienced a 60% increase in its population between 2007 and 2016. Similarly, the sharp rise in population could be attributed to in-migration attracted by the mining sector, just before the closure of ArcelorMittal's Thabazimbi Iron Ore in 2017.

Citizenship

In both the Lephalale and Thabazimbi Local Municipalities (LMs) the majority (more than 90%) of the population was born in Limpopo Province. More than 90% of the population in both municipalities are South Africans. The percentage of foreign nationals in Thabazimbi LM is 4% and 8% in Lephalale LM.

Community Needs and Services

There was a reduction in access to **piped water outside** the yard from 2007 to 2016 in the Province, District and in both Local Municipalities. This means that fewer people needed to leave their yards to get water from a communal tap in the street. In that same period, piped water *inside* the yard has increased, although only a negligible increase in Thabazimbi LM. This means that more households can access water from a tap inside their yards, as opposed to collecting water from a communal tap in the street. This suggests an improvement in access to water. However, according to the Community Census 2016 data, 46.3% and 16.7% of households reported that they did not have access to safe drinking water in Thabazimbi LM and Lephalale LM respectively.

Access to **electricity** has improved for all users, lighting in particular, from 2007 to 2016 in the Province, District and in both Local Municipalities.

There has been little change in access to **flush toilets** between 2007 and 2016, except in Lephalale LM. There was a negligible decrease of 0.5% across the Province and a small decrease of 3% in Waterberg DM and Thabazimbi LM. There was a substantial increase in access to flush toilets of more than 10% in Lephalale LM.

Housing

Rented housing is more prevalent in Thabazimbi (46%) than owned and fully paid off (16%) housing. This suggests a significant presence of transient communities that are not permanently settled. Waterberg DM and Lephalale LM have a lower level of such transience with 22% and 28% of houses rented respectively. Just over half (53%) of Limpopo households live in dwellings they own and are fully paid off.

Labour Force

The Waterberg District has very high levels of unemployment as many of its local municipalities are considered to be rural, with limited employment opportunities in relation to the demand for jobs and

the available skills levels. Lephalale LM has an unemployment rate of 22% and Thabazimbi's unemployment rate is 20.6% (Stats SA, 2011). These rates are lower than the provincial average, making them better off than the rest of the Province. Higher levels of employment can be attributed to the local developments associated with mining (in particular coal) and power production.

Health

According to Stats SA General Household Survey 2016, seven in every ten households went to a public clinic or public hospital as their first point of access when a household member became ill, while only a quarter of households opted to go to a private institution.

In Limpopo the Department of Health is allocated about 30 percent of the provincial budget, which is aimed at assisting about 40 hospitals, 454 clinics, 26 community health centres and 123 mobile clinics.

5. Key Findings

This section summarises the key findings of the study along with recommendations provided by stakeholders.

Community concerns about the project

There were a number of cross-cutting concerns raised by stakeholders which may have a bearing on the social license to operate and the benefits emanating from the Project. These are as follows:

- **Benefit equity between TLM and LLM:** Respondents are wary that there may be a disparity in the benefits of the project between Lephalale and Thabazimbi Local Municipalities. Respondents from Thabazimbi are less optimistic of the potential benefits of the Project and feel that Lephalale will likely benefit more, given that water is taken from an already water stressed TLM to LLM.
- **Fairness in water allocation between industries:** It is anticipated that the mining and energy sectors will be prioritised over the agricultural sector in terms of water allocation.
- **Fairness in water allocation between communities and companies:** There are real concerns that the Project will not benefit communities to alleviate water shortages but will rather be for the use of companies in the mining and energy sectors.
- **Lack of project-related information:** The survey responses suggest that the communication about the project is limited. Those respondents who form part of government, unions, mines, schools and established NGO/ CBO are aware of the Project, compared with other civil society groups who have heard about the Project through hearsay; as such their perceived benefits of the project are likely skewed based on the information source.
- **Political interference:** It is believed that political interference may be one of the biggest challenges to the Project. Respondents feel that projects become highly publicised and such politics would hamper the project implementation. Some respondents are convinced that political interference cannot be avoided. Recruitment processes and procurement processes are likely to be the areas where political interference will be witnessed.
- **Unfulfilled promises:** It is alluded that the project proponents will not adhere to the promises made in relation to the proposed benefits to local communities. Furthermore, the expectation

of local communities could far exceed what the Project is capable of delivering. As such, unmanaged expectations could pose a risk to the Project.

- **No change to the lives of the community during and after project implementation:** It is feared that local communities may not benefit at all from the Project. There is a risk that the Project will make no material difference to their lives as the piped water will flow past the communities for the benefit of companies in the mining and energy sector, which may anger local communities who may resort to vandalism and protest action.
- **Project delays:** It is expected that the COVID-19 pandemic will be long lasting and will have a significant impact on the timelines of the Project, resulting in project delays. Stricter lockdowns have shown to reduce productivity and COVID-19 may disrupt the Project. Project delays may also result from civil or labour unrest, political interference, vandalism, sabotage, procurement challenges as well as on-site injuries. These delays may create further community tension and frustration because prolonged delays impact people's livelihoods in an already dire local economic context.

Perceived Positive Impacts

The majority of the stakeholder's support for the Project is based on the perceived benefits that would emanate from the Project. Stakeholders in both local municipalities were very supportive of the Project. Their support is in keeping with their mandate in terms of cooperative governance to support government-led projects even if their municipality is not directly affected. Numerous benefits were cited; these are briefly described below as they were communicated by the survey respondents.

- **Improved water availability and access:** Given the acute water shortages in TLM and to a lesser extent in LLM, there is hope of improved access to water, especially for people in informal settlements. The idea of improved water availability was enough to gain overwhelming support for the Project. Respondents felt this Project would improve water availability as well as water security as less water will be abstracted from the Mokolo Dam.
- **Infrastructure development:** It is believed that the Project will result in the upgrade of municipal infrastructure resulting from increased water availability. For example, respondents mentioned that the Project will result in improved electricity, sanitation as well as water in schools.
- **Community development:** Respondents were hopeful that the Project will facilitate community development initiatives such as educational programmes, assistance to vulnerable groups, and agricultural initiatives.
- **Local economic development:** Respondents envisaged that the water availability will catalyse local economic development in TLM and LLM as it will create employment and procurement opportunities for local business, resulting in increased local spending and creating a virtuous cycle of economic development.
- **Industrial development:** It is believed that increased water supply will unlock the industrial development of the area by meeting the expansion needs of the mining and energy sectors in the District Municipality.
- **Agricultural development:** It is hoped that small-scale farming will have improved access to water. Several agricultural community projects had stopped because small-scale farmers could not access water for irrigation or livestock purposes.

- **Employment opportunities** Respondents expect that there will be employment opportunities afforded to local communities and that local business will also benefit from direct procurement and indirect business through increased spending.
- **Increased spending:** Some respondents felt that in-migration of job-seekers will create increased spending in the local economy benefiting local businesses.
- **Improve quality of life:** Respondents cited that direct employment will lead to an improved quality of life. Furthermore, the improved access to water will result in improved health outcomes in the context of the COVID19 pandemic adding to the improvements in the quality of life.
- **Procurement opportunities and local business development:** It is expected that local business will benefit from procurement opportunities and those SMME's which will be successful would develop their businesses through their experience in working on mega projects.
- **Skills development:** it is expected that the Project proponents will offer training to local community members including youth in-service training opportunities on the Project. Furthermore, the skills developed resulting from the experience gained through project-related employment, will benefit individuals because they can apply these skills on other projects.
- **Corporate Social Investment (CSI):** Respondents were hopeful that the project proponents may implement CSI initiatives in the local communities, such that it may benefit broader communities including those who may not be able to directly benefit from employment or procurement opportunities.
- **Secure electricity supply:** It is believed that the project benefits, relating to the Medupi power generating facility, will foster secure electricity supply for the whole country.

Perceived Negative Impacts

Despite the perception of benefits that underpin the overwhelming support for the project by government officials, politicians and organised community organisations and interest groups, many are cautious in their enthusiasm and are wary of the potential for unintended negative impacts of the Project. Many of the recommendations provided by the respondents stem from avoiding the potential for unintended negative impacts. These potential negative impacts are outlined below.

- **Draw down of the water table:** A key concern is whether there is a clear understanding of the impacts on the Crocodile River (West) system and the Limpopo River system given that the Crocodile River (West) is a main tributary of the Limpopo River system. Respondents communicated that they fear that the levels of abstraction will result in less water available in the river system as farmers in the area also believe they have rights to abstract water. Further, it may cause a draw-down of the water table, meaning that existing boreholes will dry up, impacting access and availability of water.
- **Environmental degradation and disturbance:** It was acknowledged that there will be a need to remove vegetation such as trees and project activities will disturb wildlife in the area. This will affect the sense of place. A change in the sense of place may disrupt the livelihoods upon which game farmers depend. Other examples included the spilling of paint, cutting down trees for firewood, air quality issues related to Medupi Power Station as well as digging trenches, and simply leaving these unattended, creating a safety risk. There are concerns as to whether workers will have adequate training to address such environmental matters.

- **Disruption to businesses and daily activities:** It is expected that there may be disruption of business activities, especially in the agricultural and tourism sectors while construction is underway. The affected schools have noted a concern about the disruption of school activities during the construction period.
- **Loss of grazing and agricultural land:** It is feared that some land will be lost that is being used for grazing and agricultural activities. Grazing land currently being used is close to water sources needed for livestock. There is a concern that alternative grazing land may not have adequate water sources. Similarly, there is a concern that alternative agricultural land may not have adequate municipal water sources in this case.
- **Decreased food security:** It is believed that the water abstraction from the Crocodile River (West) will impact the production of staple crops such as maize and soya, ultimately affecting food security in the region and the country.
- **Job losses:** It is feared that the farmers' livelihoods will be affected due to the disruption of farming operations. In addition, the farm workers are particularly vulnerable and are at risk of losing their jobs as well as their homes, as the two are linked. Further, it was noted that the job losses in the farming sector cannot be off-set by direct employment created by the Project.
- **Increased competition for jobs:** It is presumed that a project of this scale will attract many job-seekers to the area, increasing the competition for the available jobs. It is believed that failure to employ a sufficient number of local people will increase tension between locals and the new-comers and will pose a significant risk of protest action that may lead to work stoppages.
- **Community unrest and vandalism:** The risk for community unrest and vandalism was noted amongst the various stakeholders interviewed. Local communities and interest groups may use protest action as a means to communicate grievances against the way the Project is implemented or the perceived lack of benefits stemming from the Project. Other potential reasons for community protests included allegations of corrupt politicians, community leaders and local business fora who use the project for their own gains (electioneering, selling jobs etc.). Community unrest might also be in the form of xenophobic attacks on foreign nationals who are accused of stealing jobs. Vandalism could include illegal pipe connections to access water from the project.
- **Growth of informal settlements:** There is a concern that the in-migration of job-seekers will likely result in the growth of informal settlements. Thus, adding to the back-log in basic services such as housing, water, electricity in both local municipalities as well as increasing unemployment rates because there will not be enough jobs to accommodate everyone.
- **Upset international relations:** One respondent warned of the potential of increased tension between South Africa and Botswana and questioned whether there was any consultation with the Botswana Government on the MCWAP-2 project.
- **Relocation:** There is an expectation that relocation of households may be necessary on the Project.
- **Heritage impacts:** The Project may also impact graves necessitating the relocation of grave sites. The Heritage Impact Assessment (HIA) was conducted during the Design phase of the MCWAP-2 and it noted that there are graves on the project site (G A Heritage, 2020). The Paleontological Impact Assessment also noted that there are graves on the project site (Dr Gideon Groenewald, 2020).

- **Decrease in safety and security:** Respondents raised the issue of safety and security in relation to Gender Based Violence (GBV), noting that should local men not be successful in securing employment from the Project, they may be inclined to take out their frustrations on women and young girls. The farming community also have security concerns as disgruntled labourers could pose a threat to farmers. Furthermore, schools in close proximity to the construction of the pipeline have expressed concern for the learners' safety in relation to deep trenches that will be dug.
- **Increased poaching:** The risk of increased poaching was mentioned. The perceived risk is that the project workers will have opportunity to scan the areas where there may be game that is worthy of poaching. Even if the workers are not criminals, they may relay the information to criminals. Retrenched game farm workers are also mentioned as those who may turn to poaching to sustain their livelihoods.
- **Increased crime:** It is feared that the influx of job-seekers will increase the crime levels in the area. Many respondents shared a belief that in-migrants will likely commit crime. Theft of equipment, cable theft, diesel, and livestock amongst others, have all been raised as concerns by various respondents. Other crimes such as farm murders, robberies, and break-ins are feared to increase.

Stakeholder Suggestions

Consult widely: The survey respondents recommended that the Project should engage the community that will be directly impacted by the Project. Emphasis was placed on consulting the local people and other entities in the area instead of engaging the local municipality only. It is believed that by consulting with the locals helps them to understand the actual consequences of the Project and also pave way for MCWAP-2 to work with other entities in the area. In addition, it was requested that the project team should share the key attributes of the Project such as the envisaged timelines, value of the project, possible number of people to be employed, possible opportunities for the youth, for disabled people and women. The respondents have highlighted the importance of transparency throughout the life of the project.

Hire locally: Hiring local labour is also a major recommendation by most respondents. Hiring local labour assists in skills development. The recruitment process should be transparent and unbiased. One of the respondents suggested that a random sampling approach should be used in the recruitment process, for example, putting identification documents in a box and selecting. It was also suggested that project proponents' partner with local businesses for non-sophisticated materials or services such as transportation.

Upskill locals: Skills development was broadly suggested among the respondents from both Lephalale and Thabazimbi. It is important for the project team to upskill the locals before implementing the Project to ensure that the locals are well trained for the jobs when the Project starts. It was further suggested that the Project must consider the unskilled as well as those from vulnerable families for upskilling because many people lack skills. Another suggestion for upskilling local communities is to work with the Local Economic Development (LED) unit which has a database of available skills and businesses. This can be used to compare the available skills with the required skills and prepare for upskilling if there is a need.

Upgrading infrastructure: The upgrading of community infrastructure such as access or local roads, schools or water supply infrastructure was suggested by respondents. The project team should

identify gaps that need to be addressed and try to intervene. Another respondent in Thabazimbi suggested that the project team engage with TLM to review the water master plan to see if they could broaden the scope of the Project so it can tap into the TLM water supply area.

Appropriate targeting: Appropriate targeting of interventions was raised in Thabazimbi LM. Respondents stressed the need to distribute the project benefits on a needs basis. For instance, one respondent emphasised that water must be provided to farmers who contribute significantly to the Gross Domestic Product (GDP). Another respondent showed concern for farmers and ensuring that farmers' water needs be prioritised.

6. Socio-economic Response Plan

A socio-economic response plan was developed to address the issues identified in the study. The plan highlights the key issues discussed in the baseline, the threats and opportunities that the key issues represent, proposed measures that should be put in place to address the challenges and the agencies responsible for implementing the recommendations. The response plan is based on issues raised by stakeholders and to a lesser degree their recommendations. The recommendations provided in the socio-economic response plan are based on both stakeholder inputs and the expertise of specialists.

7. Conclusion

The socio-economic baseline study has confirmed that the study area is largely impoverished. The study area has high levels of unemployment mainly due to immigration resulting from the mining sector and the power generating plants of Eskom. It can also be argued that another contributing factor to the high unemployment rate is the mismatch of available skills and skills needed by the different sectors. The unemployment status of the area is highlighted, particularly in the social status analysis and the labour registration results.

The study showed growing numbers of disruptions in construction projects like the MCWAP-2. Local community groups are creating pressure through protest action and other disruptive behaviour to ensure that they benefit from the employment and procurement opportunities available. These socio-political dynamics are continuously changing and it would be important to keep a watching brief on the perceptions the various stakeholder groups have of the MCWAP-2 project.

These landowners are deeply concerned about the impact of the Project on their livelihoods, with security being a great threat. The socio-economic response plan provides measures to address these concerns. There are effective safety and security initiatives by landowners in the area that are ideal for MCWAP-2 to embrace and work with during the project implementation.

There are also several community development initiatives underway in each local municipality. Some are geared towards different age groups such as the youth and the elderly, while focusing on different categories of need in the communities. Ten community development projects are proposed in this report, including existing initiatives that the MCWAP-2 can support.

The study found that the business forums had varying degrees of organisation with some being formally constituted and others being relatively informal with unclear membership. The disruptive business behaviours that have been identified include work stoppages, blocking access points, intimidation, threats against project contractors and team members as well as vandalism. Key proactive strategies recommended for managing disruptive behaviour include stakeholder

engagement, ensuring that the community benefits, understanding the project context, attending to emerging socio-political issues, and developing a security management plan.

Those in the study area, particularly the game farming communities, enjoy a relatively safe environment. The safety of the immediate project area is attributed to the organised farm watch systems in place. There were mixed feelings amongst respondents about the perceived crime risks brought on by the Project. The underlying causes of crime were deemed to be socio-economic factors such as high unemployment, poverty, and in-migration of job-seekers. Stakeholders provided a host of practical safety measures that can be implemented by the MCWAP-2. The MCWAP-2 security planning should leverage on the existing security systems in the area.

Project disruptions can be reduced through Project-induced local spend, participation of local businesses and implementation of responsive community development projects/CSI. The significance of these is that it underpins many of the challenges that can be anticipated before, during and after construction. The results of the baseline study have shown that most of the challenges anticipated on the Project are likely to be realised, threatening to jeopardise the success of the Project. The socio-economic risks have been identified early on, well before construction is to commence, allowing for a plan to be developed that will mitigate and manage the risks. The mitigation and management of risks was approached from a livelihood perspective, with the aim of strengthening communities and building resilience.

8. Recommendations

This section highlights the key recommendations made in the report. The recommendations below are with reference to proposals and recommendation as provided under each study element, project transformation objectives, Socio-economic Response Plan proposed initiatives and in consideration of the Socio-economic initiative, related challenges and lessons learnt from the Medupi Project team and the current challenges emanating from the project demobilisation process.

A MCWAP-2 Integrated Socio-economic Management Framework (ISEMF) must be established, integrating all key socio-economic study elements to enable the implementation of the socio-economic recommended initiatives. The ISEMF shall cover the components below.

A. Managing socio-political issues

Communication and stakeholder consultation:

- Establish information centres in both local municipalities prior to construction to enable the dissemination of accurate Project information. These must be independent of local municipalities. These centres should also serve as independent recruitment and labour desks. The Project should consider using databases of other entities, such as Eskom Medupi, Waterberg TVET College, recruitment agencies and the Department of Labour.
- Develop a Communication strategy.
- Facilitate regular stakeholder consultation with municipal authorities, traditional authorities.
- Facilitate stakeholder consultation with key community forums, community services such as SAPS and non-profit organisations.

Prevention strategies:

- Training should be provided to staff and sub-contractors on how to avoid political interference and corruption, and how to promote cultural sensitivity and diversity.
- Diversity training should be provided for all employees and they should be sensitised to the local norms and cultures.
- Establish an employee housing program for MCWAP-2 staff in order to help manage the influx of job-seekers.
- Avoid major construction activities during the upcoming Local and National Government elections.
- Support local municipalities on their service delivery programmes so that service delivery issues and other community-anticipated unrests directed at the municipalities do not spill over to the MCWAP-2.

General

- Incorporate a Socio-political Management specification in the contractor's request for bids (RFBs).

B. Community development and livelihood needs

- A policy should be developed on how community development/CSI programs will be developed and implemented.
- A human rights and vulnerability risk assessment should be undertaken to help inform the development of community benefits and the mitigation of livelihood impacts.
- Municipalities should receive training and capacity building on how to meet their service delivery mandates so that communities do not place all their hopes on external Projects like MCWAP-2 to meet all their unmet service delivery needs.
- Training and job opportunities should be ring-fenced for locals.
- From the community development projects listed in this report, the following are strongly recommended for implementation by TCTA or its sub-contractors:
 - a) Support for the school at Thaba Tholo, guided by their future plans, goals and current needs.
 - b) Develop a programme to support the farm workers and farm dwellers as some may fall under a category of vulnerables.
 - c) Anti-poaching initiative to provide support to the game farming community in conserving wildlife and to alleviate safety and security issues.
 - d) Capacity building program for matriculants and post-matriculants that shows them how to find employment and further study opportunities.
 - e) Teacher Training for local schools to boost the quality of teaching and to provide additional resources and support for educators.
 - f) Sexual reproductive health and gender-based violence awareness programme that increase the awareness of GBV issues and sexual reproductive health issues in the local communities.

- g) Safe to work and home transport initiative that provides training to local transport operators through contract conditions to improve safety of public and private transport operators.

General

- Incorporate a Community Development and Livelihood Needs specification in the contractor's request for bids (RFBs).

C. Managing disruptive business behaviour

- Appoint Community Liaison Officers in line with contracts packages who will serve as a communication link between the project proponents and community stakeholders.
- Mirror the approach used by Medupi and Exxaro to counter the influence of the political elite as well as mechanisms to address grievances such as labour and contractor grievances which may lead to disruptive behaviour and protest action. This should be included in the Project's risk management plan.
- Develop an emergency response plan for unplanned or unexpected disruptions that arise from disruptive business behaviour so that construction can resume as quickly as possible.
- Use the joint security task team to facilitate rapid response to violent disruptions.
- Accept Medupi and Exxaro's offer to engage on a collaborative planning exercise to avoid duplication.
- Consider the offers of several entities that offered assistance to the Project, for e.g.:
 - a) Waterberg Chamber of Business and Waterberg NAFCOOC - developing procedures and policies before construction starts.
 - b) Business Unity – resolving conflict over employment and procurement opportunities that cause disruptions to the Project.
 - c) Mapela Traditional Council – disseminating background information on the Project.
 - d) Hartbees Irrigation Board, MOKOLO Water User Association and AgriSA Lephalale – financial and procurement support.
- Space should be demarcated for picketing and receiving memoranda from protesting groups.
- Tender-readiness training should be provided to local businesses. MCWAP-2 should partner with Eskom's supplier development and localisation programme to secure opportunities for businesses from the project area.
- Regular engagements with the area business forums should be clearly articulated in the Project stakeholder and communication plan.

General

- Incorporate a Disruptive Business Management specification in the contractor's request for bids (RFBs).

D. Managing security concerns

Employees and servitude access:

- Participate in the existing landowner security forum to ensure the security of properties on the servitude and those surrounding the servitude. Provide additional equipment and resources where this will bolster the security of the area.
- Make use of (and upgrade where feasible) the existing security infrastructure and systems of the landowners as suggested by the Matlabas Reserve.
- Use existing security staff of the landowners to secure the project site as is requested by Thaba Tholo. Establish joint working protocols with landowner security staff and the security company that will be procured, without compromising the privacy of landowner security systems.
- Use a biometric fingerprint system for staff.
- All contractor's employees must be subject to police clearance.
- Limit the use of cell phones within the servitude as cell phone coverage enable poachers to trace game. Cell phones also enable people to photograph valuable assets on the properties in preparation for theft.
- Erect a partition along the servitude where there may be visual exposure to the landowners' properties or game (for privacy purposes as well).
- Servitude fences must be erected according to appropriate specifications, depending on the type of animals that occur on the property, to prevent wild and dangerous animals from climbing over into the servitude or to prevent game from escaping.

Project equipment and assets

- Colour code diesel and petrol tanks for ease of retrieval if stolen.
- Create serial numbers for equipment for ease of retrieval if stolen.
- Establish and maintain an asset register.
- Secure pump stations and pump houses in line with SANS and other relevant requirements.

Fire and environmental protection

- Participate in the existing landowner fire-fighting forums and systems as landowners are experienced in dealing with veld fires on their properties. Provide additional equipment and resources where this will bolster fire-fighting efforts.
- In collaboration with landowners and leveraging on their expertise, develop a veld fire-fighting response plan that incorporates fire risks created by the presence of MCWAP-2 and provide veld fire-fighting training to staff.
- Ensure that employees wear the correct personal protective equipment (PPE) at all times to mitigate the risk of snake and spider bites, exposure to the elements (heat and lightning) and contracting COVID-19. Anti-venom should be kept on site in case of snake bites.
- Put in place measures to protect the biosecurity of animals on the immediate and surrounding properties.

Community-wide security

- Establish relationships with the police and security agencies for rapid response to and prevention of security incidents.
- Support existing community-led security initiatives such as the local Community Safety Forums.
- Ensure that contractors pay employees on time and comparative wages to mitigate for labour unrest.
- Foster a sense of ownership for the project. It is believed that if communities have this sense of ownership, they will protect the project assets and infrastructure.

General

- Develop a safety and security management plan.
- Incorporate a Security Management specification in the contractor's request for bids (RFBs).

E. Labour and business

- Incorporate the results of the surveys into the Social Specification for the contractor(s) who will use the information to inform their recruitment and procurement development programmes.
- Conduct business and labour skills database registrations prior to and during the construction phase.
- Facilitate employment and business opportunities that are unrelated to the MCWAP-2 in order to manage high expectations of employment and business opportunities.
- Where there is a mismatch between the skills and businesses available locally and what the Project requires, the contractor should put in place skills and business development programmes in order to develop local human resources and local businesses.
- The contractor must ensure that they subcontract a minimum of 30% of the works to local emerging entities that are at least 51% black-owned.
- The contractor and its sub-contractors must comply with the labour legislation such as the Skills Development Act and the Labour Relations Act and it must meet and maintain the minimum B-BBEE scorecard requirements. The contractor and its sub-contractors must incorporate national guidelines and regulatory such as those of the Construction Industry Development Board (CIDB) and the National Contractor Development Programme (NCDP).

General

- Incorporate a Labour and Business specification in the contractor's request for bids (RFBs).

F. General

It is furthermore recommended that the Social Management Plan incorporate the Social Management related aspects emanating from the Socio-economic baseline study with reference to this report.

It is furthermore recommended that these recommendation and related initiatives are aligned with the project needs, project transformation objectives and also responsive to local communities' expectations without undermining the overall project objective. It can also be noted that it is imperative that the proposed ISEMF and respective supporting management structure, policies, specifications,

processes, procedures and the management system are developed and incorporated into the project specifications and requirements before issuing the construction contractors RFB to the market.

It is therefore recommended that the proposals and recommendation in this report are considered and approved for implementation to enable the development of the ISEMF and respective documentation.

NB. More details with respect to these recommended and or proposed initiatives are provided in the respective elements of the report and are further consolidated in Table 19 and Table 28 of this report.

MOKOLO CROCODILE WATER AUGMENTATION PROJECT PHASE 2

CONTRACT № TCTA 20-041

SOCIO-ECONOMIC BASELINE REPORT

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ABBREVIATIONS

Abbreviation	Term
ANC	African National Congress
CBO	Community-based Organisation
CHC	Community Health Clinic
CIDB	Construction Industry Development Board
COVID-19	Coronavirus Disease 2019
CS	Community Survey
CSI	Corporate Social Investment
DA	Democratic Alliance
DHIS	District Health Information Software
DM	District Municipality
DTI	Department of Trade and Industry
DWS	Department of Water and Sanitation
EFF	Economic Freedom Front
EMS	Emergency Medical Services
ESMS	Environmental and Social Management System
FAWU	Food and Allied Workers Union
FFPlus	Freedom Front Plus (Vryheidsfront Plus)
GBV	Gender Based Violence
HIA	Heritage Impact Assessment
HSRC	Human Science Research Council
HIV/AIDS	Human Immunodeficiency Viruses/Acquired Immunodeficiency Syndrome
IB	Irrigation Board
IDP	Integrated Development Plan
IEC	Independent Electoral Commission

Abbreviation	Term
IGR	Inter-governmental Relations
IPAP	The Industrial Policy Action Plan
LED	Local Economic Development
LEDET	The Department of Economic Development Environment and Tourism
Lephalale RET	Lephalale Radical Economic Transformation
LGE	Local Government Election
LLM	Lephalale Local Municipality
LM	Local Municipality
LYC	Lephalale Youth Council
MCWAP-2	Mokolo Crocodile Water Augmentation Project, Phase 2
MDB	Municipal Demarcation Board
MMC	Member of Mayoral Committee
NDP	National Development Plan
NPO	Non-profit Organisation
ODK	Open Data Kit
PPPFA	Preferential Procurement Policy Framework Act
PSIRA	Private Security Industry Regulatory Authority
RAL	Roads Agency Limpopo
RDP	Reconstruction and Development Program
SACYD	South African Children and Youth Development
SANCO	South African National Civic Association
SASSA	South African Social Security Agency
SIP	Strategic Infrastructure Project
SLF	Sustainable Livelihoods Foundation
Stats SA	Statistics South Africa
TCTA	Trans-Caledon Tunnel Authority
TLM	Thabazimbi Local Municipality
ToR	Terms of Reference
VIP	Ventilation Improved Pit
WDM	Waterberg District Municipality
WHO	World Health Organisation

1 PROJECT DESCRIPTION

Major developments are planned for the Waterberg Coalfields located in the Lephalale area and as a result, the future demand for water within the Lephalale area is expected to increase significantly. The Department of Water and Sanitation (DWS) therefore, conducted a feasibility study (completed in 2010) for the Mokolo Crocodile Water Augmentation Project (MCWAP) to establish how the future water demands could be met. This subsequently led to the development of the MCWAP Phase 1 Project which entailed bulk raw water transfer infrastructure, consisting of a pump station, 46 km of pipeline and ancillary infrastructure interconnecting to the old infrastructure from the Mokolo Dam to the Matimba tie-in point. This pipeline has been operational since June 2015.

The purpose of the MCWAP is, therefore, to unlock the mineral wealth of the Waterberg Coalfield in order to create economic development (Strategic Infrastructure Project (SIP) 1). This can only be realised by the sufficient and reliable supply of water to all existing and future users (including domestic, industrial and mining), together with the best utilisation of resources in the catchments, at the lowest cost and in an environmentally sustainable manner.

As a part of Phase 2 (MCWAP-2) of the Project, water is to be transferred from the Crocodile River (West) to the Lephalale area, which is predominantly located within the western part of the Limpopo Province. The footprint of the proposed water transfer infrastructure is thus situated within both the Thabazimbi and Lephalale Local Municipalities, both of which fall within the Waterberg District Municipality.

The MCWAP-2 entails the implementation of a water transfer system between the Crocodile River (West) at Thabazimbi and points of supply in the Lephalale area. It includes abstraction works, pumping stations and pipelines as well as the associated infrastructure and the implementation of measures to mitigate the impact of the Project on both the natural and social environment. The augmentation is required to supply water to coal-fired power stations, including related mining operations and associated developments. The Water Transfer Infrastructure (WTI) is largely located on privately-owned properties that are mainly used for agriculture and game-farming, and comprises the following primary components:

- The Vlieëpoort Abstraction Works in the Crocodile River (West) on the farm Mooivallei 342, 8 km south-west of Thabazimbi with an abstraction capacity of 125 million m³/a. The Abstraction Works include a Diversion Weir in the Crocodile River (West), Boulder Trap, Gravel Trap and Sand Traps. The Diversion Weir includes a low weir with a measuring section;
- A Low-Lift Pumping Station at the Abstraction Works with an installed capacity of 75 million m³/a which will transfer water via two Low-Lift Rising Mains (1000 mm diameter each), approximately 5.9 km long to the Sedimentation Works and a 650 MI Balancing Reservoir;
- A High-Lift Pumping Station with an installed capacity of 75 million m³/a at the Balancing Reservoir which will pump water over approximately 27.2 km through a 1400 mm diameter pipe to a small Break Pressure Tank;
- From the Break Pressure Tank water will gravitate through a 1400 mm diameter pipe to the 90 MI Break Pressure Reservoir;

- From the Break Pressure Reservoir water will gravitate over approximately 82.09 km to Off-Take C (future users). The gravity pipeline comprises of 33 km of 1600 mm diameter pipe, 30.5 km of 1500 mm diameter pipe and 18.59 km of 1400 mm diameter pipe;
- From Off-Take C water will gravitate through a 12.9 km of 1100 mm diameter pipeline to Off-Take B (Medupi Power Station);
- From Off-Take B water will gravitate through a 6.3 km of 900 mm diameter pipeline to Off-Take A (Matimba Power Station, Exarro, Grootegeluk and Thabametsi); and
- A River Management System infrastructure which focuses on the management and monitoring of water levels and flows from Hartbeespoort Dam, Roodekopies Dam, and other smaller dams in the Crocodile River (West).

It should be noted that a number of supplementary activities and associated infrastructure will be required to support the implementation of the Project. Due to the supplementary activities impacting on watercourses, applications for the authorisation of Water Uses in terms of Section 21 of the National Water Act, 1998 (Act 36 of 1998) (NWA) will also be required.

2 PROJECT LOCATION

The Project is located between the towns of Thabazimbi and Lephalale in the Waterberg District of Limpopo Province. Each town falls within a separate municipality with the same name, namely Thabazimbi Local Municipality and Lephalale Local Municipality (see locality map below).

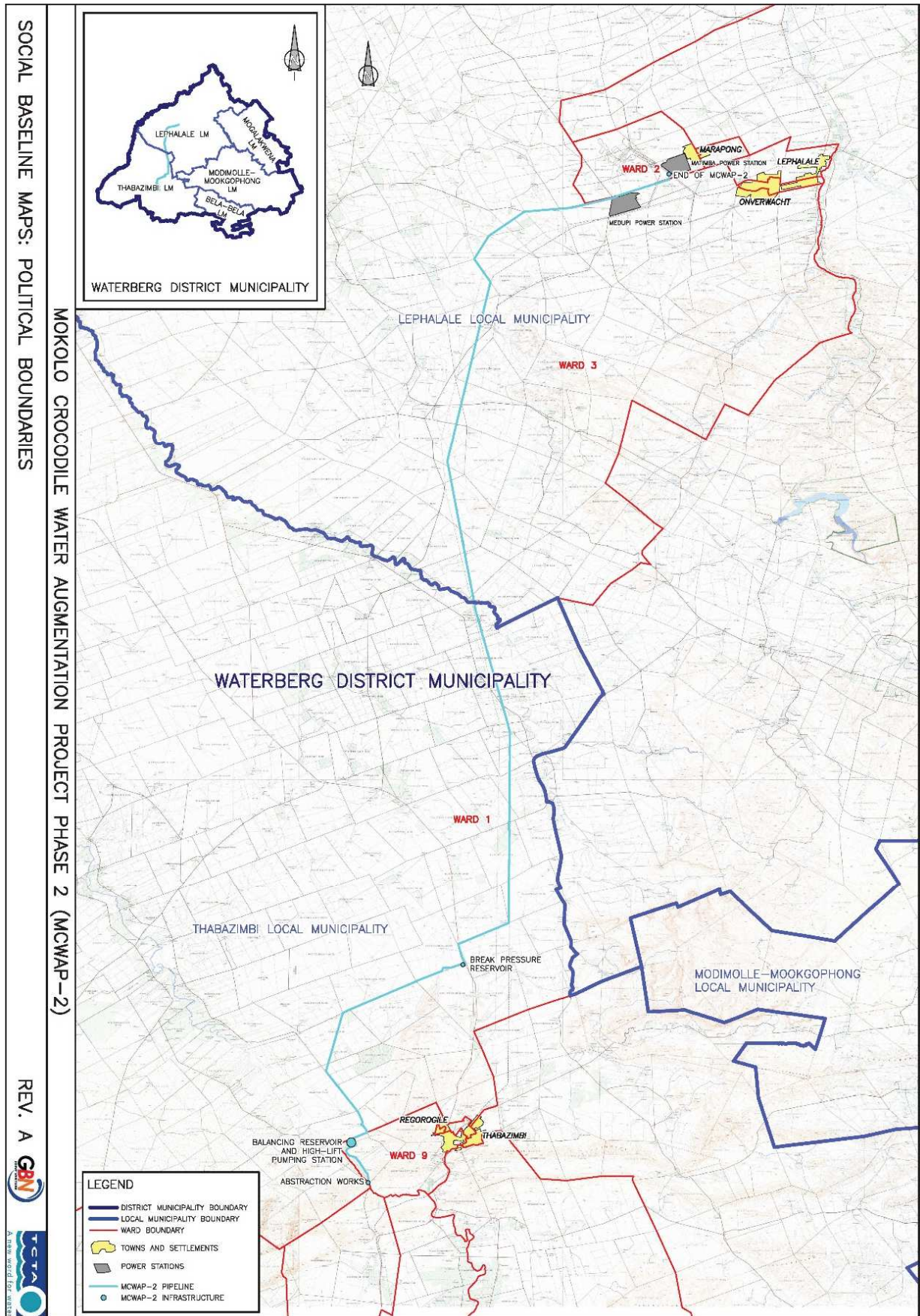


Figure 1: Locality Map

3 RATIONALE FOR THE STUDY

The Project area can be characterised as impoverished, and with low access to services such as water, sanitation, refuse removal, libraries and educational facilities. In the broader study area 58% of households earned less than R38 000 per year in 2011, for an average household size of 3.5 people. Education outcomes reveal that 69% of the residents in the area have not completed matric. Approximately two percent have gained an education level higher than matric and 33% have not completed primary school. The official unemployment rate in Lephalale Local Municipality is 22.2% and 20.6% in Thabazimbi Local Municipality (Statistics South Africa, 2011).

Several challenges are anticipated as a result of the Project – see bullet points below. These challenges can have far reaching negative impacts on the Project, including time delays, safety to the project personnel and damage to property. It is therefore important to identify the challenges and social risks and incorporate them into project planning, manage and mitigate the impacts and provide adequate budget and resources to address these prior to construction through to the closure stages of the Project. The approach taken to addressing challenges is not to simply eliminate challenges but to find opportunities therein to build livelihoods and strengthen communities in ways that will build their resilience to withstand potential negative project impacts. The approach will also establish mutual relationships in the project area which will ensure a good working environment, the project's social license to operate and the reduction of or no disruptions during the project life cycle.

The challenges anticipated to the Project are therefore as follows:

- Unrealistic community expectations about project benefits such as labour recruitment and business opportunities;
- Opportunistic community members trying to manoeuvre personal gain from community-wide benefits such as preferential procurement and community development projects, as has been observed in other infrastructure development projects;
- Inability of business and labour to take up opportunities provided by the Project due to insufficient experience and relevant skills;
- Conflict between community members and workers brought to the Project from outside the project area;
- High possibility of local communities and business forums disrupting the Project;
- High possibility of riots and strikes due to political and service delivery issues; and
- High possibility of the Project attracting disruptive business forums from the project area and outside the project area. This is a current growing phenomenon experienced in mega projects within the country.

A baseline study was therefore undertaken to investigate the existing socio-economic circumstances in the project area in order to identify the risks and opportunities, and to proactively establish a Project Socio-Economic Response Plan. This would mitigate the related risks and ensure realisation of opportunities that will arise from implementation of the MCWAP-2. Overall, this will ensure the effective implementation of the Project, and meaningful responses to the requirements of both directly and indirectly affected communities within the project area. This will in turn enhance the Project's reputation, ensuring the participation of the local communities in the Project which will in turn strengthen the project's social licence to operate.

In order to achieve this, a socio-economic baseline study was undertaken with the following focus areas:

1. Social Status Analysis;
2. Business and Labour Survey;
3. Socio-political Climate Analysis;
4. Analysis of Disruptive Business Forums, Profiles of Existing Business Forums, Businesses and Community Structures;
5. Security Profiling; and
6. Community Development and Livelihoods Needs Assessment.

The section that follows describes the methodology for carrying out the overall study, as well as variations in methods per focus area.

4 METHODOLOGY

4.1 Research Approach

The integrated methodological approach was adopted to conduct the socio-economic baseline study. The study involved the collection and integration of primary and secondary data to describe and analyse the socio-economic conditions of the project area. The approach indicates that the baseline information is already available and need only be collated, or it can only be collected through fieldwork, or both have to be collected for a single baseline study.

A predominantly qualitative approach was employed where peoples' feelings, opinions, thoughts and perceptions were uncovered. Qualitative research describes and explains subjective accounts of social phenomena usually expressed in words or narratives. This can refer to behaviours, peoples' lives, emotions, cultural phenomena and organisational functioning. Qualitative methods of research enable one to gather intricate details such as emotions and expressions that are difficult to extract with quantitative research methods.

A quantitative approach was employed where measurable data was needed to defend or support claims. Quantitative research quantifies social constructs or phenomena. It makes use of numbers or statistics to understand what is taking place within society.

4.1.1 Desktop Study

The baseline research commenced with a desktop study, which sought to identify and analyse the source materials relevant to the socio-economic conditions of the project area. This involved the search for municipality databases, (e.g., unemployment, scarce skills, etc.), Integrated Development Plans (IDPs), specialist reports, publications and library materials and Statistics South Africa (Stats SA) data. A listing of the desktop study sources is provided in the Reference Section of the baseline report. Analysis of the desktop study provides the status quo and context of the project area.

4.1.2 Fieldwork

Fieldwork involved the collection of first-hand information from stakeholders that were deemed knowledgeable enough to provide insight into the socio-economic conditions of the project area. The

information gathered provided an understanding of the challenges and social risks, as well as measures to manage and mitigate the project impacts prior to the project implementation.

4.1.3 Stakeholder Identification

The project Terms of Reference (ToR) determined the type of stakeholders that should be engaged to conduct the baseline study. The targets were samples from the people and institutions existing in the project area, who are likely to be directly or indirectly affected by the project implementation. As a result, community forums, business forums, landowners, private entities, parastatals and local and traditional authorities were part of a pool of stakeholders considered for collection of primary data. A non-probability purposive sampling method¹ was used to purposely make up samples for the project focus areas, namely business and labour skills, socio-political climate analysis, disruptive business forums, security profiling and community development and livelihood needs assessment. Only the stakeholders who were suggested to be affected by the project implementation, and who may have influence on the project, were identified as participants in the study. Their experiences regarding community developmental needs, past public projects' successes and failures, stakeholder perceptions regarding benefits and risks of the Project were deemed important in adding value to the development of a socio-economic baseline understanding of the broader project area.

4.1.4 Sample Composition

The study samples were determined by the type of stakeholders targeted for the Project and the nature of data required. Prospective key stakeholders were identified and interviewed to collect qualitative and quantitative data that identify the challenges and social risks, as well as measures to manage and mitigate the project impacts prior to the project implementation. The stakeholders were identified in Lephalale and Thabazimbi to ensure equal representation and participation in the study. Stakeholders were also identified nationally as some issues that needed to be addressed in the study had a country-wide context. It was anticipated that, as the interviews were conducted, other stakeholders with the same level of knowledge required for the Project might show interest to shed knowledge of the community experiences related to the Project.

A non-probability purposive sampling method was used to purposely make up samples for the project focus areas, i.e., labour skills, socio-political climate analysis, analysis of disruptive business forums, security profiling and community development and livelihood needs assessment. Non-probability sampling is used where one cannot calculate the chance of any member of the population being sampled. Non-probability sampling relies on the subjective judgement of the researcher. Purposive sampling is a type of non-probability sampling that focuses on certain characteristics of the population that are of interest to the study and that will best answer the research question. Only the stakeholders who are directly affected by the project implementation, and who will have influence on the project, were identified as participants in the study. Furthermore, their experiences about the community developmental needs, past public projects' successes and failures, benefits and risks would inform the MCWAP-2 construction phase. This method of sampling was used to select representative groups from the communities likely to be affected by the construction phase. The method of sampling was deemed suitable because researchers were unable to interview every person in the community. A

¹ A non-probability sampling method is defined as a sampling technique where the researcher selects samples based on a subjective judgement as opposed to a random sampling method.

summary of the organisations interviewed is provided in Table 1 below. Details of the sample composition are provided in **Annexure A**. A total of 119 entities and 141 individuals were interviewed.

The minimum sample per category was set at 20%. Where the population was very small, a 100% sample was applied. The sample was in some instances much higher than 20% where greater representivity was required. The sample numbers represent the number of organisations interviewed, not the number of individuals. In some instances, more than one individual from an organisation was interviewed.

Table 1: Project Samples

Study Area	Organisations Interviewed
Socio-political Analyses	<ul style="list-style-type: none"> • Political parties • Local authorities • Agricultural / irrigation associations • Pressure / activist groups
Disruptive Business Forums	<ul style="list-style-type: none"> • Business forums and chambers • Parastatals, businesses and regulators • Local and traditional authorities
Security Profiling	<ul style="list-style-type: none"> • Police services • Security companies • Contractors • Farm watch groups • Local and traditional authorities • Mining companies • Landowners • Fire protection services
Community Development & Livelihood Needs Assessment	<ul style="list-style-type: none"> • Community-based organisations • Mining companies • Landowners • Schools • Department of Social Development • Department of Agriculture • Community-based initiatives • Faith-based organisations

4.2 Data Gathering

Secondary information was gathered through a review of existing information in order to uncover existing issues and gaps in information. This informed the types of primary information gathered during the fieldwork.

Primary information was gathered through surveys and interviews. Surveys and interviews are helpful in capturing qualitative and quantitative accounts of the stakeholders' opinions, thoughts and perceptions. This stage involved the actual gathering of empirical data. Semi-structured interviews were used to collect information from the stakeholders identified for the focus areas. This method of

data collection allowed the researcher to listen, probe, encourage and follow up on interesting leads to gather rich data from stakeholders.

A structured questionnaire was designed to collect data for each focus area. The tool comprised both open-ended and closed-ended questions. Questions were developed on the basis of the desktop findings and the research team's experience of working in the municipal areas and social research in general. A different set of questions was derived for each focus area along with a set of standard questions that was repeated for each questionnaire. Refer to **Annexure B** for the questionnaires.

The questionnaires were administered by means of the following:

- Face-to-face interview;
- Telephone interview; and
- Web interview.

4.3 Data Capturing

Data capturing was conducted using Open Data Kit (ODK). Open Data Kit is an open-source android-based platform for conducting surveys both online and offline. Responses are uploaded to a server on completion of each interview and were reviewed for missing or inconsistent data in real time. The researchers were trained over three days. The training ensured that the team members could collect accurate and reliable data.

4.4 Quality Control

Quality control of all aspects of the data collection process was carried out in real time during the field work. The following dimensions of the research process were quality controlled:

- Achieving full sample; and
- Ensuring all interviews were completed.

All information relating to the Project was saved immediately into a project folder on the secure Bapuleng Social Resources server. The data collected electronically was stored in a dedicated project folder that is password protected and only accessible to Directors, for a minimum of 15 years.

Data collected in hard copy was entered electronically, whereupon the electronic version was treated as above. The hard copies are archived in a locked cupboard at the Bapuleng Social Resources offices for a minimum of seven years, as per the Companies Act, No 71 of 2008.

4.5 Data Analysis

The data was analysed using Text mining. Text mining is termed as text analytics, which is computer aided free text exploration and analysis to uncover patterns, themes, topics and other attributes (Stedman, 2021). The concept of text mining and term frequency was applied using the algorithm provided in the text mining package to identify the most used words which helped in identifying theme words. Once the term frequency matrix was computed, the most frequent terms were used to identify themes, paying particular attention to context, and meaning. For each of the identified themes, a detailed description of the issues and sub issues was reported. An open-source package called RQDA was used to conduct the first order and second order coding (Huang, 2016).

4.6 Method per Study Area

4.6.1 Socio-Political Climate Analysis

The objective of the socio-political climate study was to establish the political dynamics and related risks and a proactive management strategy to mitigate the impact on project delivery, focusing on local, provincial and national dynamics. Interviews were conducted at the national, provincial and municipal levels to get insight into the socio-political dynamics of the project area that have a bearing on the successful completion of the MCWAP-2 construction phase.

4.6.2 Community Development and Livelihoods Needs Assessment

It is important to have an understanding of community development needs and livelihood challenges within Thabazimbi and Lephalale Local Municipalities in order to map out opportunities to support local community development and improve livelihoods of those impacted, or at least ensure that those negatively impacted are not left worse off.

The design of the instruments (face to face interviews, telephonic interviews and online survey) was based on the client's strategic priorities. The aim of this was to develop an interview schedule targeted at finding out more about existing community development initiatives. The questionnaires were administered to those working to develop local communities and address livelihood challenges.

The study determined the socio-economic conditions pertaining to areas of employment / job opportunities and skills training / development which will aid in developing a schedule of community development and livelihood initiatives that the MCWAP-2 can support, with analysis and recommendations per initiative.

4.6.3 Disruptive Business Analysis

An analysis of the disruptive business phenomena was conducted to establish potential instability risks that may arise from lack of understanding, miscommunication and uncertainty within communities, and to establish a socio-economic stability program that will proactively manage instability during construction. The study provides an understanding of the drivers of disruptive business behaviour and where it has been most prevalent so that it can help guide the MCWAP-2 strategy for addressing possible disruptive business behaviour.

4.6.4 Security Profiling

The safety and security of the project's personnel, impacted stakeholders and the community at large is of major concern before any project can be implemented. Safety and security are critical aspects required for the successful implementation of MCWAP-2. The researchers undertook to gauge the safety and security climate in the Lephalale and Thabazimbi areas. This entailed identifying key sectors within the areas that could participate in the information gathering process. The respondents of the study were broken down into different categories and the random sampling method was used. There has been an even spread of respondents from Thabazimbi and Lephalale. In respect of the impacted landowners, the sample included a mix of landowners practicing different farming practices. Additionally, the sample size was also increased to include other sectors not initially included in the study. This was done in order to obtain a holistic picture of the study area at hand. These sectors

included amongst others the Fire Department, fire experts, snake handlers and former MCWAP Phase 1 employees, where invaluable information was obtained.

4.6.5 Business and Labour Skills Survey

For the business and labour survey, advertisements were distributed in the Thabazimbi and Lephalale Municipalities to allow local community members to register their businesses and labour skills. The results of the survey will contribute towards the MCWAP-2 Socio-economic Development (SED) Plan that will be used by the Contractor as part of its procurement and employment processes. In total 5,990 individuals registered their skills and 275 businesses were registered in both Lephalale and Thabazimbi. This data was complemented by interviews with respondents such as Eskom and mine staff and through desktop research on the challenges faced by the private and public sector when it comes to accessing local labour and businesses for projects such as the MCWAP-2. In Thabazimbi 168 businesses completed the business registration and 734 individuals completed the labour skills registration. In Lephalale 113 businesses completed the business registration and 5 256 individuals completed the labour skills registration.

5 DESKTOP STUDIES

5.1 Social Status Analysis

Limpopo is one of the nine provinces in South Africa. It is situated in the north-eastern corner of South Africa and shares borders with Botswana, Zimbabwe and Mozambique. On its southern edge, from east to west, it shares borders with the South African provinces of Mpumalanga, Gauteng, and North West. The province is divided into five district municipalities and 22 local municipalities after the 2016 demarcation (Waterberg IDP, 2019). The district municipalities are Mopani, Vhembe, Capricorn, Sekhukhune and Waterberg (Stats SA, 2016).

This section describes the population-related characteristics of persons from Limpopo, using data from Statistics South Africa's Community Survey (CS) 2016 and 2007 and the Census 2011. Data is provided at the provincial, district and local municipality levels. Data was compared across various datasets, depending on which dataset had the latest available data that the research team needed to analyse. It must be noted that only the census data has information on unemployment at the local municipality level. The CS does not collect data on employment status. This is found in the quarterly labour survey which reports at the provincial level.

5.1.1 Population Size

Table 2 below shows the change in population size between the 2011 Census period and the 2016 Community Survey period. The population was at 5 404 868 in Census 2011 and increased to 5 799 089 which is a percentage increase of 7% in the CS 2016 (Stats SA, 2018). In Lephalale Local Municipality (LLM) the number of males has increased by 48% over the same period and a one percent decrease in the number of females. This increase can be attributed to in-migration related to the development of the Waterberg coalfield resulting in skills development centres and job opportunities in LLM as a result (Lephalale IDP, 2019). Thabazimbi Local Municipality (TLM) has experienced a 13% increase in its population between 2011 and 2016. Similarly, the rise in population could be attributed to in-migration attracted by the development of the mining, agricultural and tourism sectors.

Table 2: Population Size

	CS 2016	Census 2011	% increase	CS 2016	Census 2011	% increase
	Limpopo Province			Waterberg District Municipality (DM)		
MALE	2 738 547	2 524 136	8%	381 493	343 169	11%
FEMALE	3 060 543	2 880 732	6%	364 265	336 168	8%
TOTAL	5 799 089	5 404 868	7%	745 758	679 336	10%
	Lephalale Local Municipality (LM)			Thabazimbi Local Municipality (LM)		
MALE	78 320	52 881	48%	57 259	49 634	15%
FEMALE	61 920	62 569	-1%	38 973	35 253	11%
TOTAL	140 239	115 450	21%	96 231	84 887	13%

Source: Stats SA, Community Survey 2016 and Census 2011

5.1.2 Age-sex Distribution

The population pyramids for the Limpopo Province, Waterberg district and Thabazimbi and Lephalale local municipalities are shown below. These show age-sex distribution of the population in the relevant areas. The distribution of a population by sex is very important for socio-economic and demographic considerations. Age structure of the population has implications for resource demand and dependency burdens, ranging from educational expenses for the young to health care support for the elderly, and for household income generation. The age-sex distribution for the Limpopo Province and the Waterberg DM is considered to be expansive, characterised by a very young population attributed to high fertility rates and average life-expectancy, typical of developing countries.

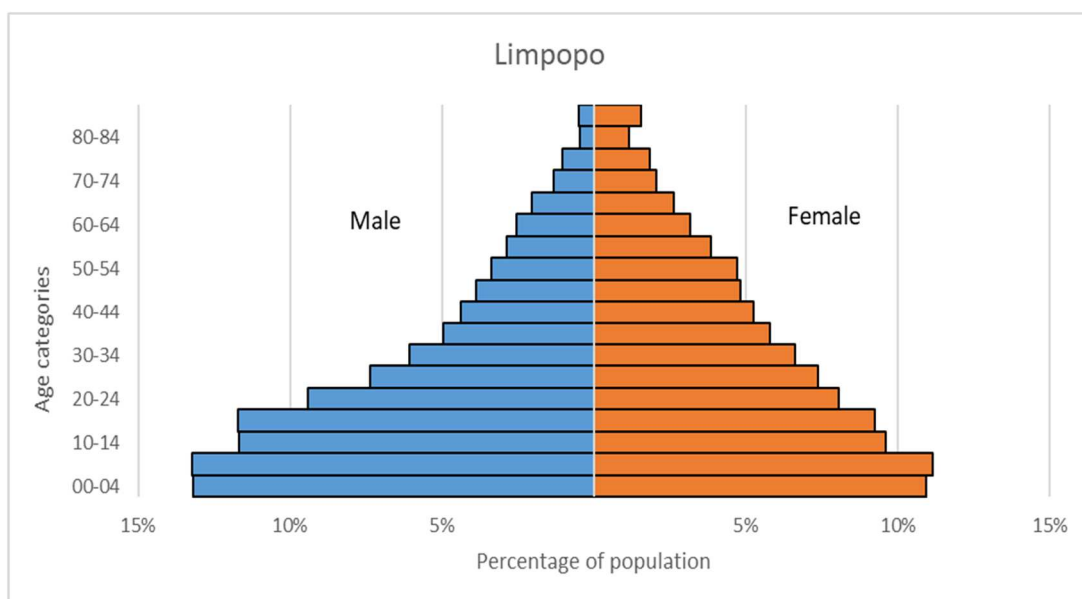


Figure 2: Age-sex Pyramid, Limpopo Province

Source: Stats SA, Community Survey 2016

Figure 2 shows that in the Limpopo Province, there is a higher proportion of males to females in the younger age categories. The proportion of males to females changes from the 35-39 age group onwards when females begin to outnumber males. The pyramid indicates that 33.2% of the population is in the 0 -14 age category; 61.7% is in the 15 – 64 age group and 5.1% is 65 years and above.

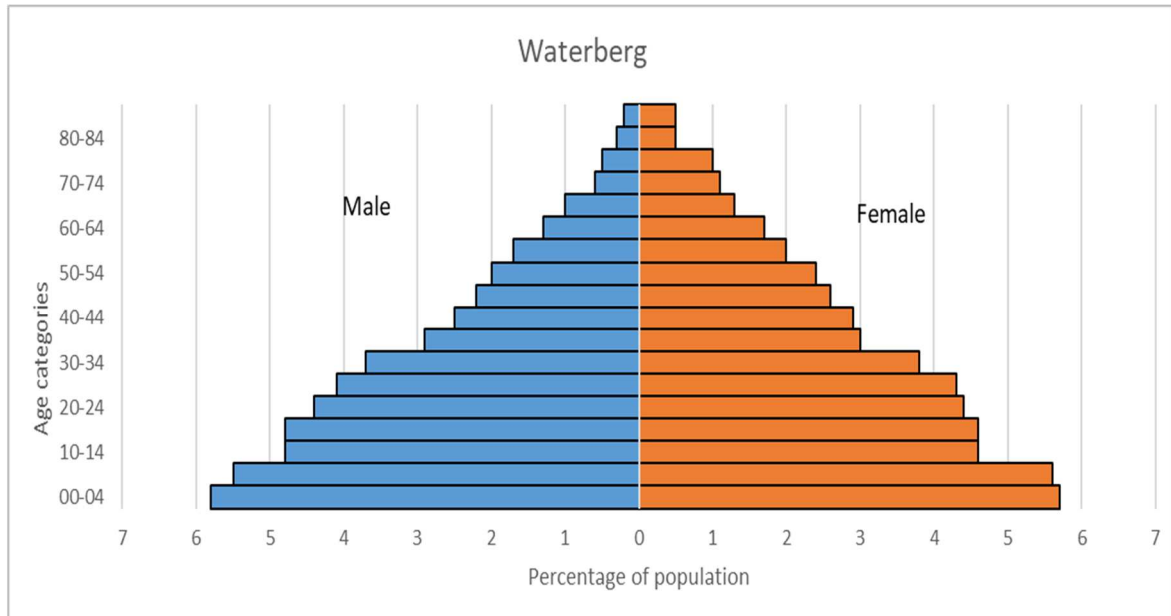


Figure 3: Age-sex Pyramid, Waterberg District Municipality

Source: Stats SA, Community Survey 2016

The Waterberg District (see Figure 3) has an equal distribution of male and females. The District is also characterised by a young population with 32% in the 0-14 age group. The elderly age group (65+) make up 7% of the population. These age groups highlight the need for education facilities; primary health care and palliative care facilities. It would appear that there are more females aged between 60 to 84 years which suggests a low life expectancy for men in the District. However, the economically active age groups (15-64) make up 61% of the population which shoulder the burden of care for the young and the elderly. Their ability to care for dependants is mitigated by levels of employment, economic activity and various livelihood strategies.

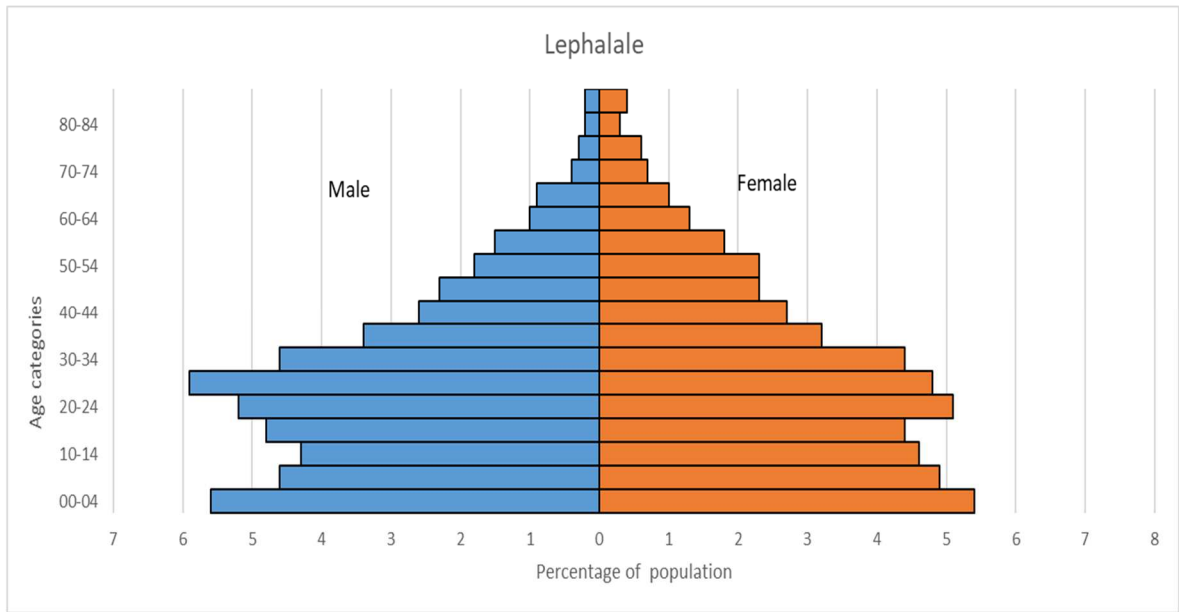


Figure 4: Age-sex Pyramid, Lephalale Local Municipality

Source: Stats SA, Community Survey 2016

Figure 4 shows that there are more males in the Lephalale LM than females, especially those aged 30-34. The constrictive shape of the population pyramid can be attributed to in-migration of job-seekers as the age-sex distribution shows more males than females in Lephalale LM in the age groups between 15 years and 29 years. This may be due to the area being a mining area that is characterised by high levels of in-migration. The youth (15-35 years) represent 40.7% of the population (Lephalale IDP, 2019).

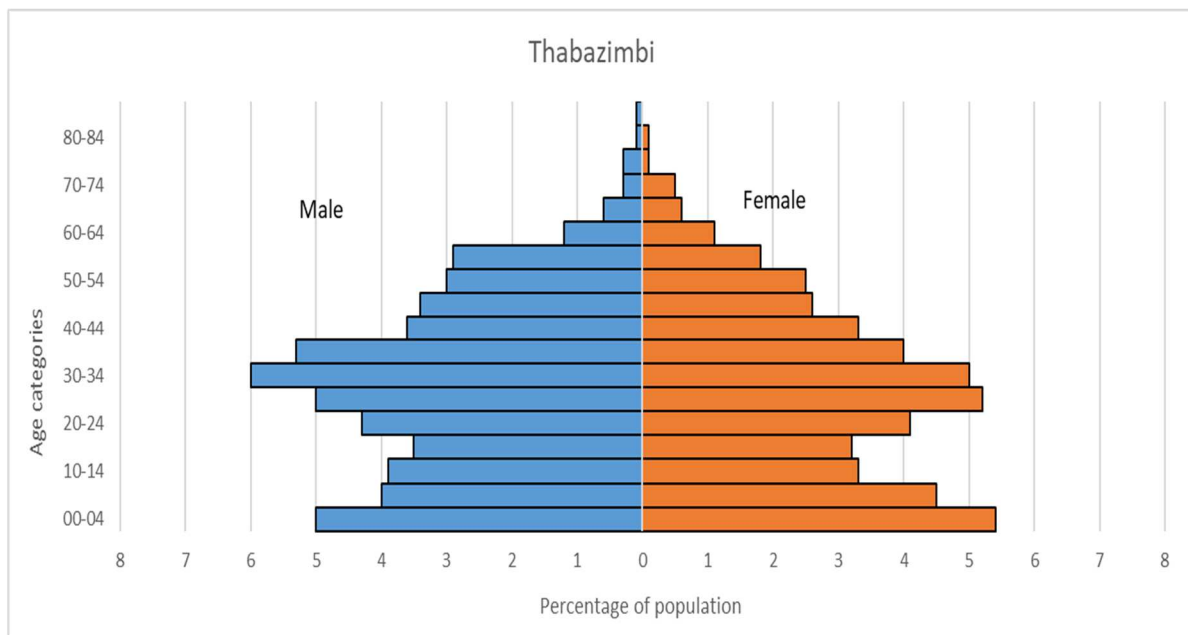


Figure 5: Age-sex Pyramid, Thabazimbi Local Municipality

Source: Stats SA, Community Survey 2016

In Thabazimbi, there are more males than females across all age groups (refer to Figure 5). Similar to Lephalale, Thabazimbi is also a mining area, where in-migration, especially within the 30-34 and 40-44 age categories, is prevalent. This can explain the high distribution of males in the Municipality.

5.1.3 Dependency Ratio

The dependency ratio refers to the proportion of people in a dependent age group (those under the age of 15 or aged 65 and older) to those in the economically productive age group (ages 15 to 64) (Population Reference Bureau, 2020). Table 3 shows the dependency ratios for the relevant areas. The Waterberg District had a higher dependency ratio than the Provincial ratio in the 2016 Community Survey period but this decreased in the 2011 Census period. Thabazimbi LM has a comparatively low dependency ratio when compared to all the other areas. A lower dependency ratio indicates that more people are working who can support the dependant population as is the case in the Thabazimbi LM. Further, the population growth rate for Lephalale (75%) as shown in Table 2 has far exceeded the national average, yet the availability of employment opportunities remains limited, thus creating higher dependency ratios.

Table 3: Dependency Ratio per 100 (15 to 64 years) by Geographic Area

Geographic Area	Community Survey 2016	Census 2011
Limpopo Province	62.2	67.3
Waterberg DM	65.4	55.5
Lephalale LM	47.5	44.2
Thabazimbi LM	36	30.8

Source: Stats SA, Community Survey 2016 and Census 2011

5.1.4 Sex Ratio

The sex ratio refers to the number of males per 100 females in a population. A sex ratio of more than 100 depicts a higher number of males than females, while a number lower than 100 depicts a higher number of females than males. A number that equals 100 means that there are equal numbers of males and females within the population.

Table 4 shows that there are more males than females in the Waterberg District. The same trend is observed in the respective local municipalities.

Table 4: Sex Ratio by Geographic Area

	Waterberg DM	Lephalale LM	Thabazimbi LM
	2016	2016	2016
Males per 100 Females	104.7	126.5	146.9

Source: Stats SA, Community Survey 2016

5.1.5 Birth and Mortality Rates

a) Birth Rates

The birth rate refers to the number of live births per 1000 population in a given year. The birth rates for Thabazimbi LM and Lephalale LM as shown in Table 5 have remained relatively stable from 2011 to 2016 with marginal increases of 0.6% and 0.4% respectively. However, this is in contrast with the Waterberg DM which has seen a 3.5% decrease in the birth rate over the same period. This is the biggest decrease compared to the provincial and national birth rates, which have also decreased. There were more births reported in the Lephalale LM than in the Thabazimbi LM.

Table 5: Birth Rate by Geographic Area

	Community Survey 2016		Census 2011	
	Number	Percentage	Number	Percentage
National	1,016,060	18.3	1,072,602	20.7
Limpopo Province	131,957	22.8	132,103	24.4
Waterberg DM	15,553	20.9	16,541	24.4
Thabazimbi LM	2,005	20.8	1,719	20.2
Lephalale LM	3,432	24.5	2,780	24.1

Source: Stats SA, Community Survey 2016 and Census 2011

b) Mortality Rates

Mortality rates refer to the number of deaths as proportion of the population. Mortality statistics play a vital role in development planning as they provide indicators of the general welfare of a population. The death rates have significantly decreased from the 2007 CS to the 2016 CS, except in Lephalale LM and Thabazimbi LM where the death rate increased slightly. The Lephalale LM has a higher mortality rate than the Thabazimbi LM. See Table 6 below.

Table 6: Mortality Rate by Area

	Community Survey 2016		Community Survey 2007	
	Number	Percentage	Number	Percentage
National	455,533	8.2	728,435	15.0
Limpopo Province	43,708	7.5	60,389	11.5
Waterberg DM	6,070	8.1	6,651	11.2
Thabazimbi LM	551	5.7	325	5.4
Lephalale LM	1,158	8.3	617	7.7

Source: Stats SA, Community Survey 2016 and 2007

5.1.6 Migration

Migration refers to the movement of people across a specified boundary for the purpose of establishing a new or semi-permanent residence. In this respect we refer to internal migration, which is migration within the country. Figure 6 below shows that a majority of the population residing in Limpopo Province were born in the Limpopo Province. Similarly, for both the Lephalale and Thabazimbi LM a majority of the population were born in Limpopo Province.

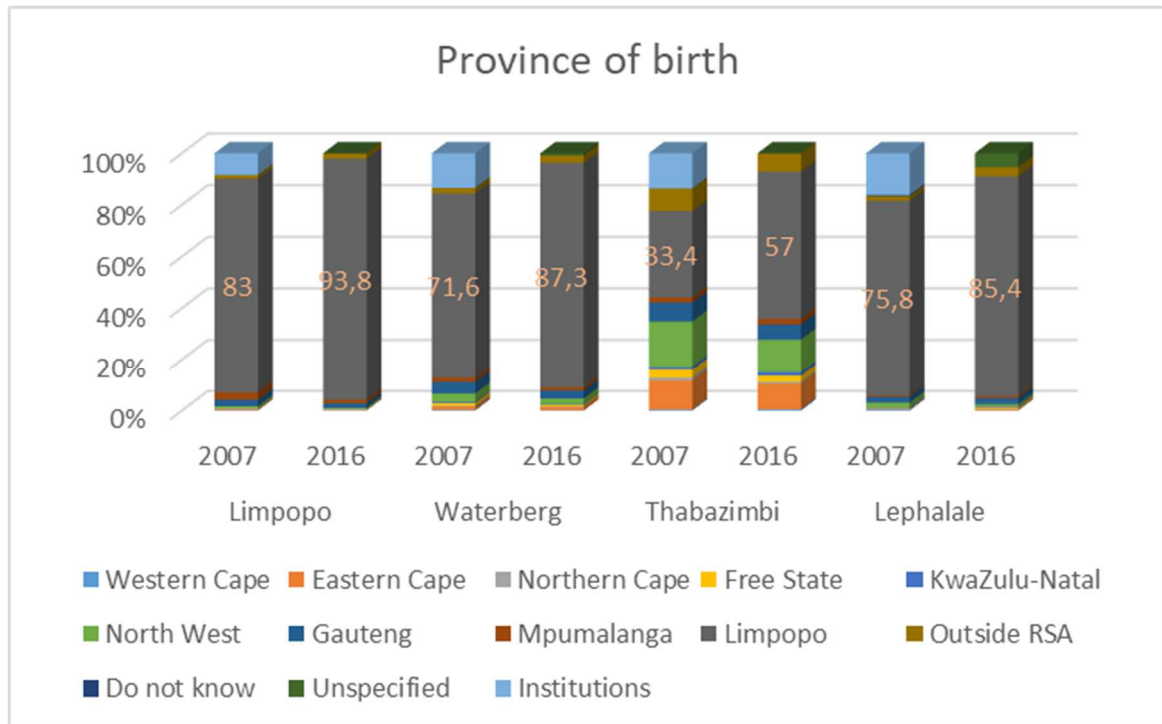


Figure 6: Province of Birth by Area

Source: Stats SA, Community Survey 2016 and 2007

Figure 7 below shows the country of citizenship of the population. According to the CS 2016 data, for both local municipalities, more than 90% of the population are South Africans. The percentage of foreign nationals in Thabazimbi LM is 4% with people migrating mainly from Zimbabwe and Mozambique. In Lephalale LM approximately 8% of the population are foreign nationals. Most (5.4%) did not specify where they are from, but others are from Zimbabwe (2%) and a few are from Mozambique (0.3%) (Stats SA, 2018).

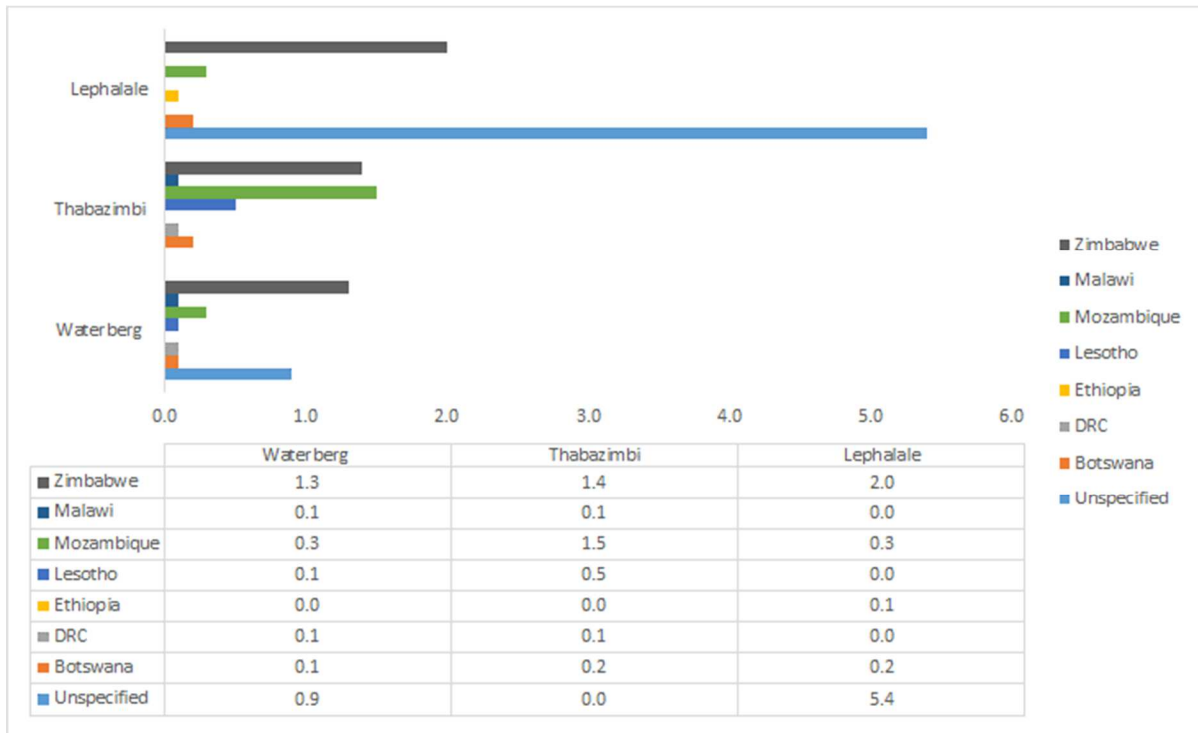


Figure 7: Percentage of Population by Country of Citizenship by Area

Source: Stats SA, Community Survey 2016

There is a perception that the MCWAP-2 will result in a sharp increase in in-migration rates. This may cause conflict with the original inhabitants of the area, especially when there is competition for resources such as employment opportunities. It is believed that in-migration will put additional pressure on social and physical infrastructure such as housing, access to water, health care facilities, electricity etc. Impact related to in-migration will need to be managed carefully to mitigate for conflict and disruptive business behaviour.

5.1.7 Community Needs and Services

This section discusses the prevalence of services provided to communities and indicators of their levels of vulnerability. This aids in understanding the levels and types of community needs.

a) Access to Piped Water

Figure 8 shows that there was a drop in access to piped water outside the yard from 2007 to 2016 across all geographic areas, most notably across Limpopo Province and in Lephalale LM. Piped water inside the yard has increased at all geographic levels, although a negligible increase in Thabazimbi LM. Piped water inside dwelling has reduced across all geographic levels.

This could be due to population increase coupled with the other changes in access to water, leading to statistically fewer households reporting access to water inside the dwelling. Other sources of water include borehole water in the yard, dams/rivers, springs, rain water tank in yard, neighbour’s tap, water tank and water vendor.

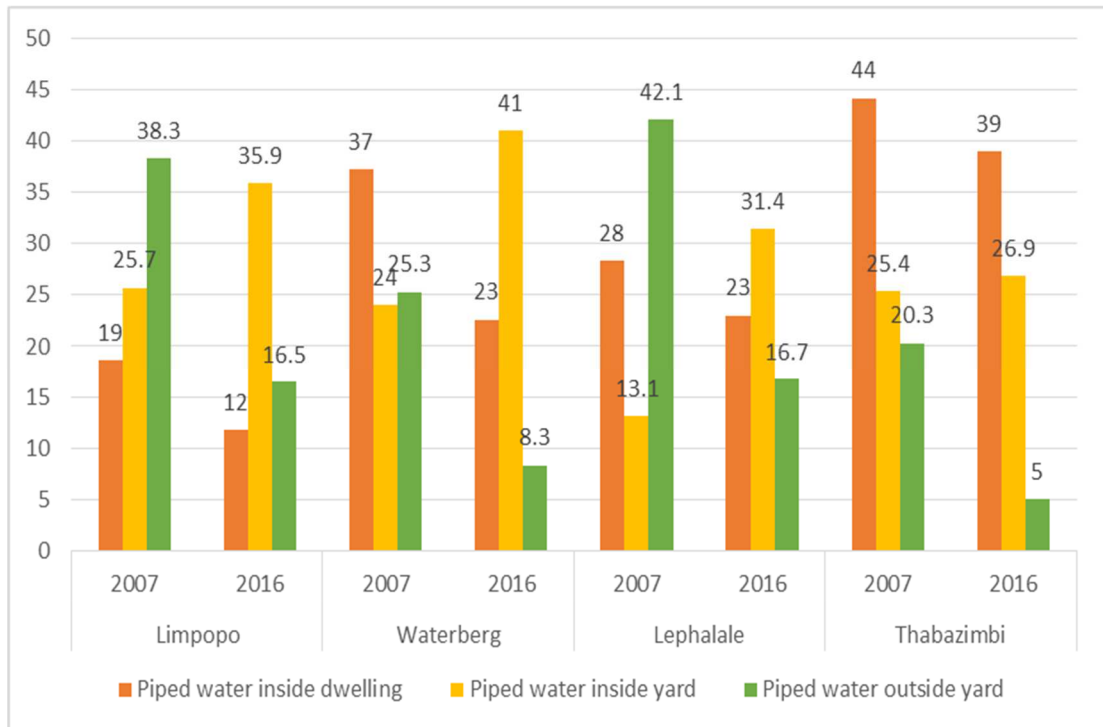


Figure 8: Access to Piped Water, 2007 and 2016

Source: Stats SA, Community Survey 2007 and 2016

According to the Community Census 2016 data, 46.3% and 16.7% of households reported that they did not have access to safe drinking water in Thabazimbi LM and Lephalale LM respectively. During interviews conducted with stakeholders in Thabazimbi in August 2020, it seems that access to water has decreased further in Thabazimbi LM with most respondents reporting that they get water from a truck and have to queue in long lines to access water, which they claim is not potable.

b) Access to Electricity

Access to electricity has increased from 2007 to 2016 for all uses across all geographic levels as shown in Figure 9. Access to electricity for lighting is most prevalent. Access to electricity for cooking and heating is lowest across the Province compared to the District and Local Municipalities.

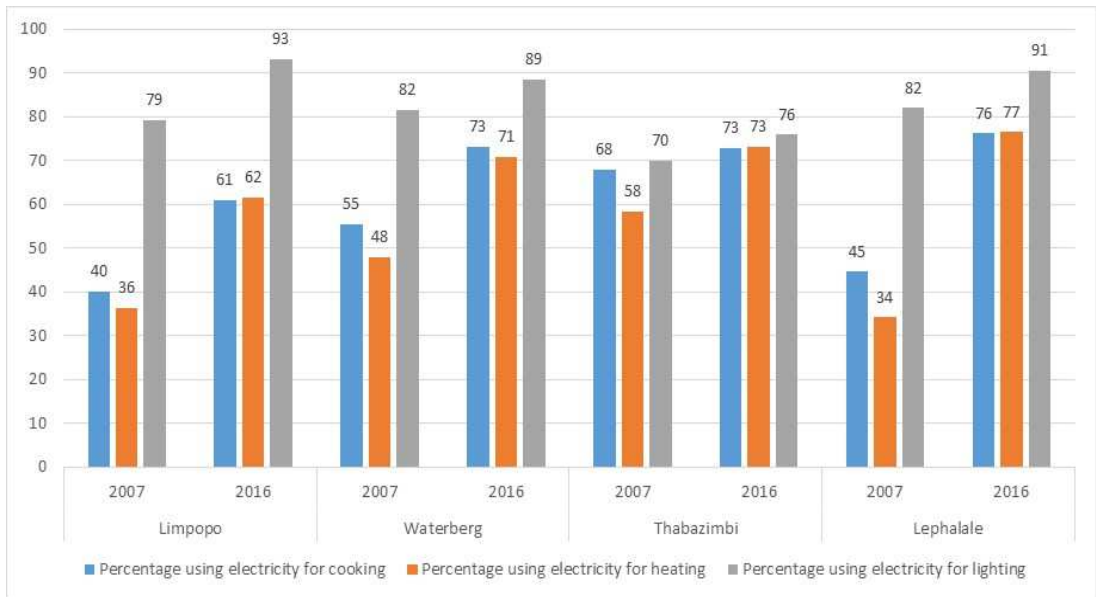


Figure 9: Electricity of Cooking, Heating and Lighting by Percentage, 2007 and 2016

Source: Stats SA, Community Survey 2007 and 2016

c) Access to Flush Toilet

Figure 10 shows that there has been little change in access to flush toilet between 2007 and 2016. The lack of improvement in access to adequate sanitation can be related to the availability of water in the area, which has also had limited improvements over the same period. There was a negligible (0.5%) decrease across the Province and a small decrease of 3% in Waterberg DM and Thabazimbi LM of flush toilets. There was a substantial increase in access to flush toilets of more than 10% in Lephalale LM, and a five-fold increase in access to toilets with ventilation, with a resulting decrease in toilets without ventilation (more than half). Access to ventilation improved pit (VIP) toilets increased while pit toilets without ventilation decreased in all geographic areas, except in Thabazimbi LM where it increased.

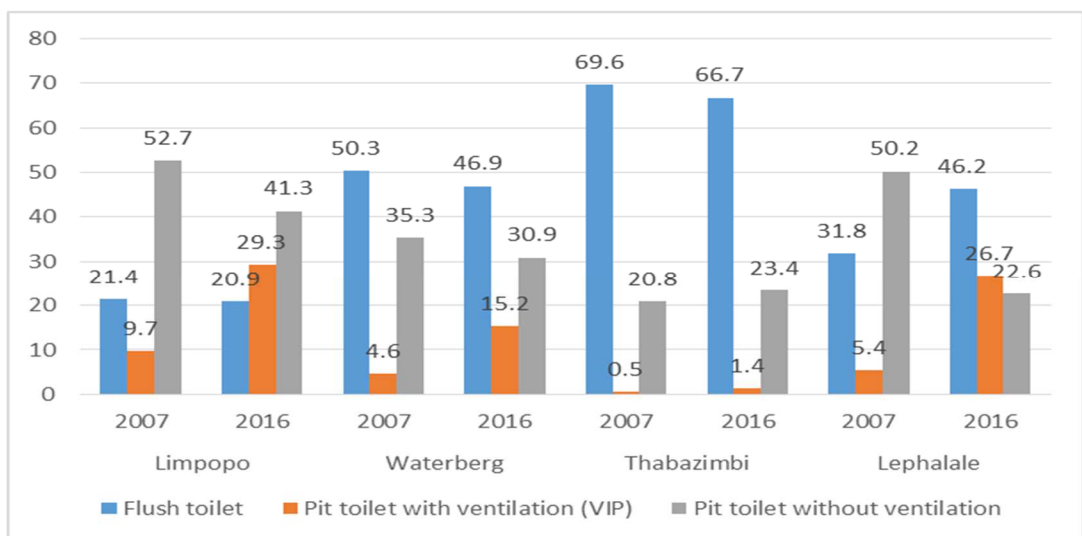


Figure 10: Access to Toilet Facilities by Percentage, 2007 and 2016

Source: Stats SA, Community Survey 2007 and 2016

5.1.8 Housing

Housing tenure is varied when it comes to owned and fully paid off housing and rented housing, as shown in Figure 11. Other types of housing tenure are fairly constant across all geographic levels. Rented housing is more prevalent in Thabazimbi (46%) than owned and fully paid off (16%) housing. This suggests a significant presence of transient communities that are not permanently settled. Waterberg DM and Lephalale LM have a lower level of such transience with 22% and 28% living in rented housing respectively. In Lephalale LM 34% of houses are fully paid off, and 42% of houses in the Waterberg DM. Just over half (53%) of Limpopo households live in dwellings they own and are fully paid off.



Figure 11: Tenure Status of Dwelling by Percentage, 2011

Source: Stats SA, Census 2011

5.1.9 Sex of Head of Household

Figure 12 below shows that males are predominantly the heads of households in the District and Local Municipalities. However, the percentage of female-headed households is significant with 49% and 46% in the District and in Lephalale LM. In the Province 56% of households are female-headed. This could be attributed to the lower life expectancy of males in the District as shown in Figure 3. This could also be due to migration of males to surrounding provinces like Gauteng and North-West Province where there may be better job opportunities.

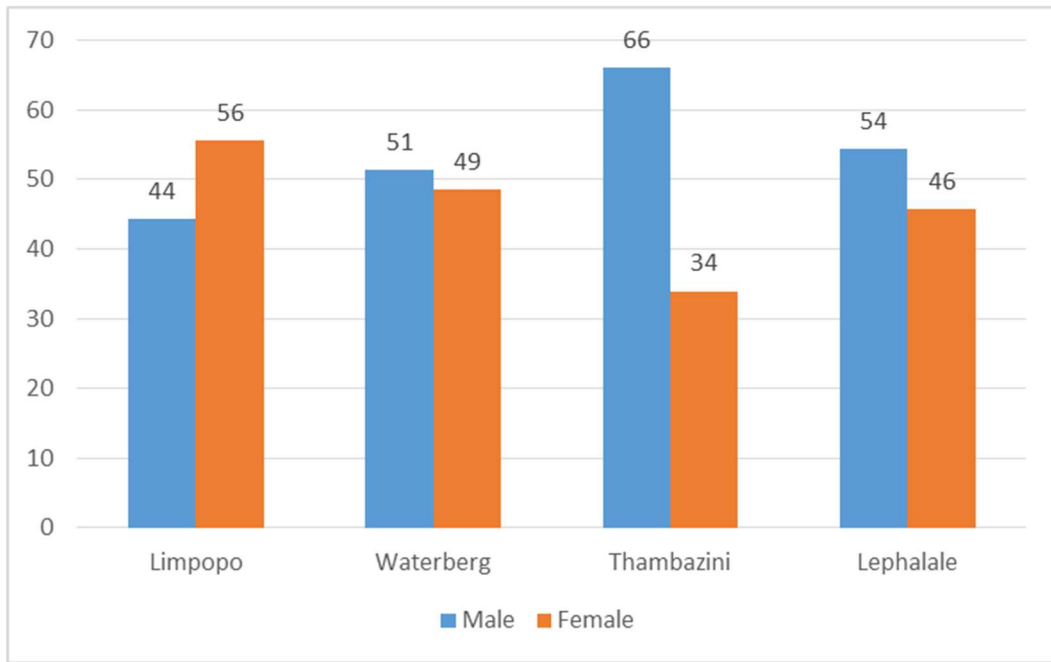


Figure 12: Sex of Head of Household by Percentage, 2016

Source: Stats SA, Community Survey 2016

5.1.10 Social Grants

A large proportion (60.4%) of the population in Limpopo relies on government social grants as a source of income (see Figure 13 below). The total number of grant recipients in the Province was recorded at 2.5 million, with child support grant being the highest in the province at around 1.8 million recipients followed by old age at 471 000 recipients. The high number of child support grant beneficiaries is supported by the composition structure of the Limpopo population in the above section which shows that the province is dominated by young people (SASSA, 2018).

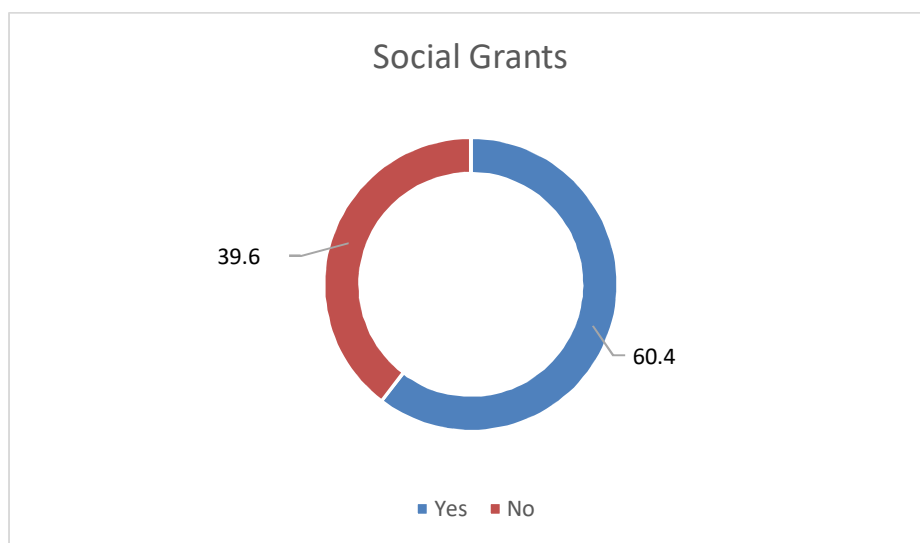


Figure 13: Access to Social Grants in Limpopo Province (percentage), 2016

Source: Stats SA, Community Survey 2016

5.1.11 Labour Force

This section discusses the labour force characteristics within Limpopo Province.

a) National and Provincial Unemployment Rate

South Africa is characterised by high levels of unemployment and has the double burden of long-term unemployment. Long-term unemployment, defined as being unemployed for longer than a year, is prevalent mainly among the youth. The official unemployment rate increased by 1.0 percentage point to 30.1% in Q1: 2020 compared to Q4: 2019 as is shown in Table 7 below. Limpopo had the second largest increase in the country (Stats SA, Quarterly Labour Force Survey Qtr1 & Qtr2, 2020).

Table 7: Official Unemployment Rate

	Jan-Mar 2019	Apr-Jun 2019	Oct-Dec 2019	Qtr-to-qtr change	Year-on-year change
	%			% points	
	2019				
South Africa	27.6	29.0	29.1	1.0	2.5
Limpopo	18.5	20.3	23.1	0.5	5.1
	2020				
	Jan-Mar 2020	Apr-Jun 2020	Oct-Dec 2020	Qtr-to-qtr change	Year-on-year change
South Africa	30.1	23.3	-32,5	-6.8	-5.7
Limpopo	23.6	21.9	-27,3	-1.7	1.6

Source: Stats SA, Quarterly Labour Force Survey Qtr1 & Qtr2, 2020

The official unemployment rate decreased by 6.8 percentage points to 23.3% in Q2: 2020 compared to Q1: 2020. The official unemployment rate decreased in all nine provinces, with the largest decrease recorded in Mpumalanga (down by 20%), followed by Free State (down by 13.1%) and North West (down by 11.6%). Limpopo recorded the smallest decrease of 1.7 percentage points.

b) District and Local Employment Status

The Waterberg District has very high levels of unemployment as many of its local municipalities are considered to be rural economies with limited employment opportunities in relation to the demand for jobs and the available skills levels. Lephalale LM has an unemployment rate of 22% (Stats SA, 2011). The rate is below the provincial average and this can be attributed to the local developments associated with Eskom (Medupi) power station and the expansion of coal production from the mine.

The unemployment rate in Thabazimbi LM is 20.6% which is also below the provincial average and can be attributed to the mining sector which dominates the local economy (Stats SA, 2011).

Figure 14 shows a marginal increase in the number of unemployed in Thabazimbi but a decrease in the unemployment rate in Lephalale local municipalities over the period of 2007 and 2011.

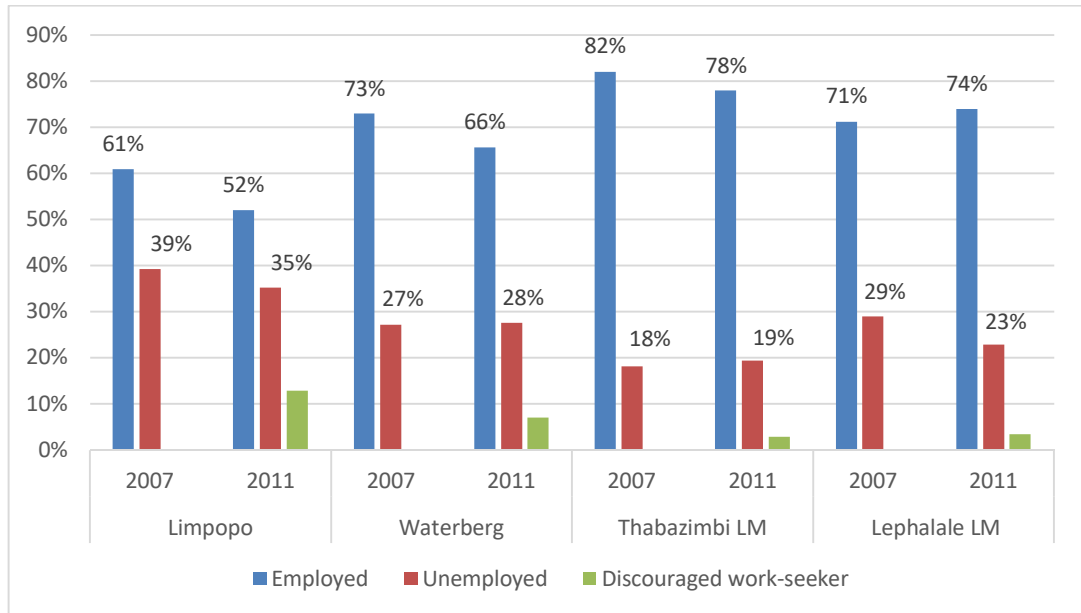


Figure 14: Employment Status between 2007 and 2011

Source: Stats SA, Community Survey 2007, Census 2011

c) Youth Unemployment

The unemployment statistics for the youth in the previous census is shown in Figure 15 below. The latest available data for the local municipalities is provided in the census data. It shows a significant portion of the population group not economically active; notably 43% in TLM and 54% in LLM. The unemployed youth, those who are actively seeking employment, was at 19% in TLM and 10% in LLM. With only 35% of the youth employed in both municipalities, it likely increases the dependency levels on these income earners.

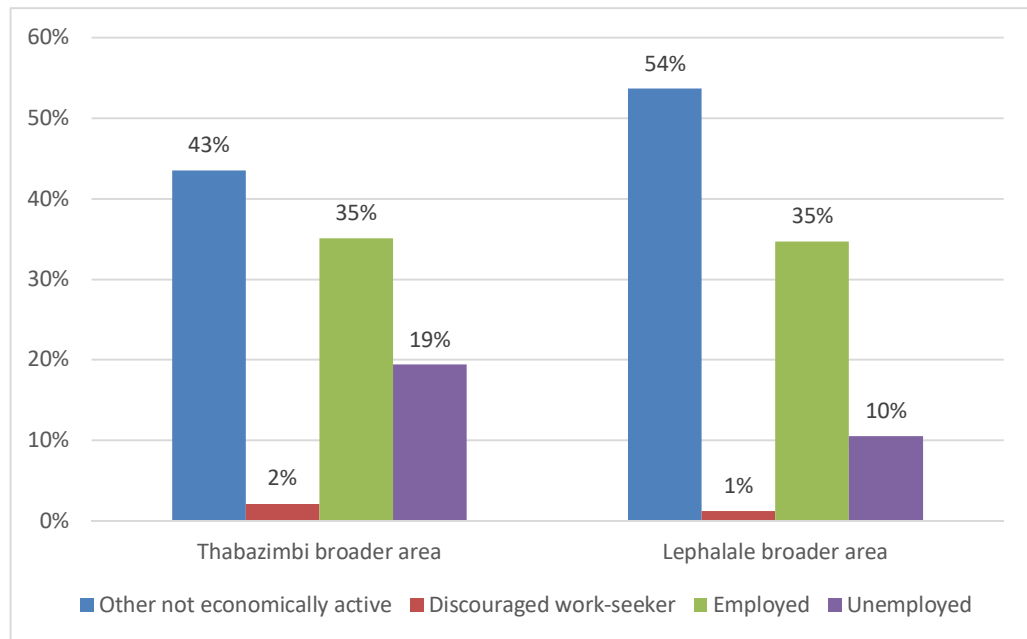


Figure 15: Employment Status for Youths (15 to 24) Years in 2011

Source: Stats SA, Census 2011

The latest quarterly data shows that the youth unemployment rate in South Africa decreased to 52.30% in the second quarter of 2020 from 59% in the first quarter of 2020 (Stats SA, 2020).

5.1.12 Household Income

Figure 16 shows the average annual income for both local municipalities has increased notably in the two highest income groups over the 2007 and 2011 period. In Thabazimbi LM the income group of R76 801-R153 600 increased from 10% to 13% and the income group of R153 600+ increased from 13% to 17%. Similarly, in Lephalale LM the income group of R76 801-R153 600 increased from 6% to 14% and the income group of R153 600+ increased from 1% to 12%. Despite the increases in the average annual income, the percentage of people who reported no income doubled in Thabazimbi LM from 7% in 2007 to 14% to 2011 and increased from 1% in 2007 to 12% in 2011 in Lephalale LM.

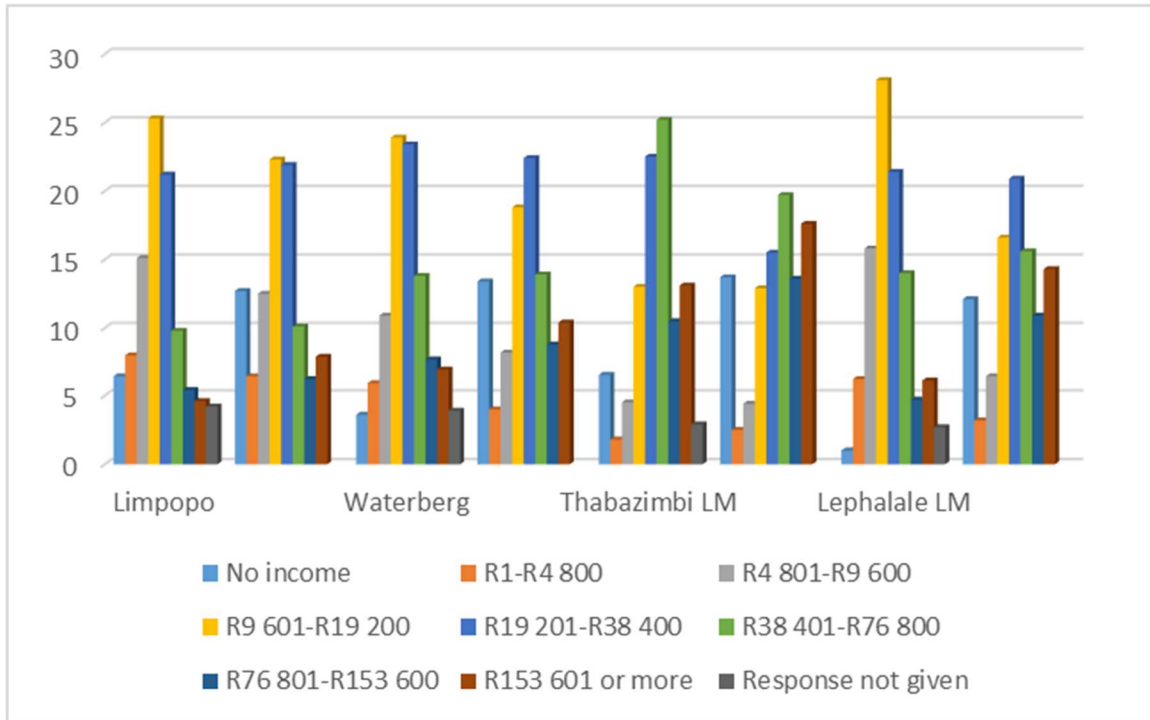


Figure 16: Annual Household Income

Source: Stats SA, Community Survey 2007, Census 2011

This dramatic increase could be attributed to rapid population growth due to in-migration as job-seekers flood to the local municipalities.

5.1.13 Industries

The dominating industries across the province, district and local municipalities are mining, wholesale/retail, as well as agriculture, hunting, forestry and fishing. In Thabazimbi the most common industry is mining and quarrying; however, it has decreased from 60% to 41% over the period of 2007 to 2011. In Lephalale, the construction industry has grown substantially from 3% to 25% over the same period, owing to the construction of mega projects such as Medupi. The predominant industries as shown in Figure 17 below, create a strong pull factor for in-migration to the local municipalities.

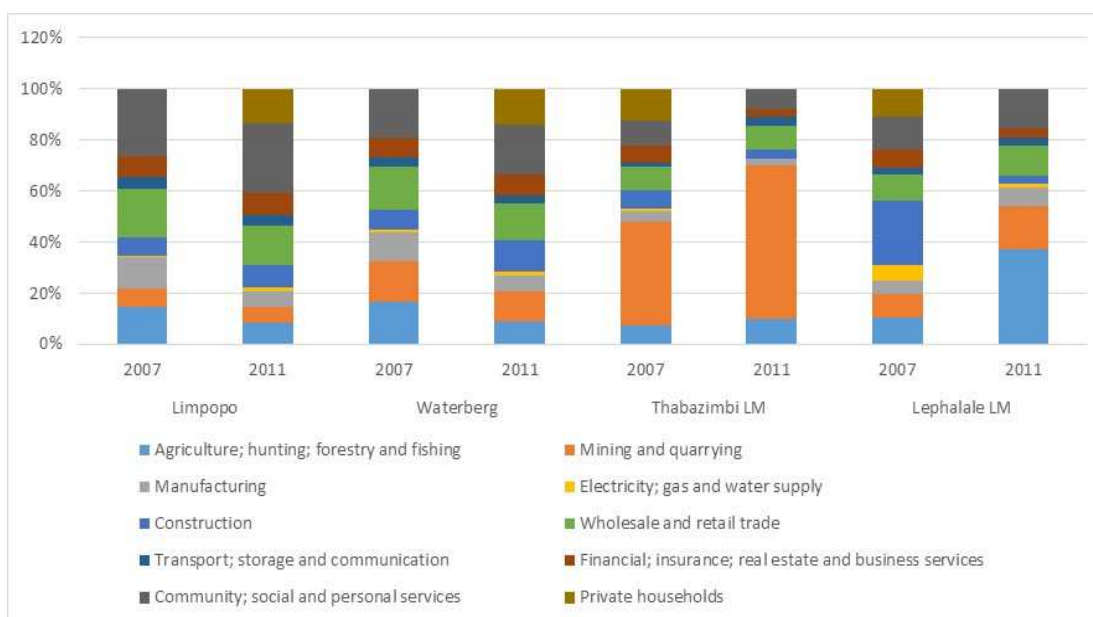


Figure 17: Industries

Source: Stats SA, Community Survey 2007, Census 2011

5.1.14 Health

Healthcare or health is one of the important factors in the human nature as people fall ill, accidents and emergencies happen and hospitals are needed as the first point of access for diagnoses to be made, for diseases to be treated and managed so they do not escalate into something worse. The average life expectancy at birth for males and females in Limpopo is 58 and 64 years respectively (Stats SA, 2016).

a) Health Financing

The right to health care is enshrined in South Africa’s constitution. In population coverage terms, South Africa’s health system is dominated by the public health sector, while the private health sector mainly caters for the affluent members of society. The National Development Plan (NDP) 2030 has several health priorities which have guided the National Health Strategic Plan 2015 -2020, aimed at achieving a long and healthy life for all South Africans.

The foundation of the public health system is composed of primary care facilities, which are mainly clinics and community health centres that are the first line of access to formal healthcare services. The next tier of the public health care system in South Africa is the district hospital to which patients are referred from primary care facilities, when necessary. The final tier is tertiary hospitals, also known as provincial and central hospitals (WHO, 2018).

According to Stats SA General Household Survey 2016, seven in every ten households go to a public clinic or public hospital as their first point of access if a household member becomes ill, while only a quarter of households opted to go to a private institution.

In Limpopo the Department of Health is allocated about 30 percent of the provincial budget, which is aimed at assisting about 40 hospitals, 454 clinics, 26 community health centres and 123 mobile clinics. Table 8 below shows a breakdown of health care facilities within the project area.

Table 8: Health Care Facilities

	Ward based outreach teams	Clinic	CHC ²	District Hospital	Regional Hospital	Central/ Tertiary Hospitals	Other Hospitals
Waterberg DM	14	61	3	7	1	0	11
Thabazimbi LM	1	10	0	1	0	0	4
Lephalale LM	2	7	1	2	0	0	1

Source: Department of Health, Waterberg District

According to Stats SA General Household Survey 2016, 17% of households in South Africa have medical aid, meaning that they have access to private health care. People in metropolitan areas are more likely to be covered by a private medical aid scheme than in rural areas; there is 24,7% coverage in the metropolitan areas of South Africa and 8,3% in Limpopo Province.

b) Burden of Disease

The burden of disease measures the impact of living with illness, injury and dying prematurely. A review of laboratory-based data has revealed that Waterberg District, in which the Lephalale economic hub is situated, had one of the highest reported burdens of advanced HIV disease in SA. HIV/AIDS has been identified as a key issue in the Thabazimbi LM, in particular its impact on the workforce, the creation of child-headed households and orphans. The Thabazimbi LM has noted that they are struggling to provide the necessary health care facilities, such as a hospice and HIV counsellors and are experiencing a high turnover of health professionals because of a lack of accommodation (Thabazimbi IDP, 2021). The COVID-19 pandemic has put undue strain on health care across the country but the true impact of the pandemic is yet to be reported on at the local municipal level.

Non-communicable diseases such as diabetes and hypertension add to the burden of disease and increases the risk of serious illness if people contract COVID-19. Table 9 shows the incidence of non-communicable disease in the Waterberg District. The incidence of hypertension is significant in both local municipalities.

Table 9: Non-communicable Disease Incidences

	Diabetes incidence (per 1000 people)	Hypertension incidence (per 1000 people)
Waterberg DM	1.1	14.6
Thabazimbi LM	0.6	13.5
Lephalale LM	2.4	12.0

Source: DHIS, 2018

² A Community Health Clinic (CHC) is a facility that normally provides primary health care services, 24-hour maternity, accident and emergency services and beds where health care users can be observed for a maximum of 48 hours and which normally has a procedure room but not an operating theatre. A private hospital is a hospital not owned by the government, including for-profits and non-profits. Funding is by patients themselves ("self-pay"), by insurers, or by foreign embassies

c) Disabilities

This sub-section focuses on general health, functioning and disability prevalence among persons aged five years and older. It highlights the extent of limitations in six functional domains (seeing, hearing, communicating, walking, remembering, and self-care). In the Province, more than 90% of people stated that they had no difficulty across all of these functional domains. In the 2016 Community Survey 6.1% of people in the Province noted that they had difficulty seeing; this is a reduction from 6.5% in the 2011 Census. According to the CS 2016 the overall disability prevalence in Limpopo was 6.4% and 7.5% in the Waterberg DM. The coloured population recorded the highest disability prevalence in the Waterberg DM at 13.6%. This is compared to White people at 9.4%, Black people at 7.3% and Indian/Asian people at 3.1% (Stats SA, 2018).

5.1.15 Education

Figure 18 below shows the education attainment for the population of the Thabazimbi and Lephalale LM in 2011.

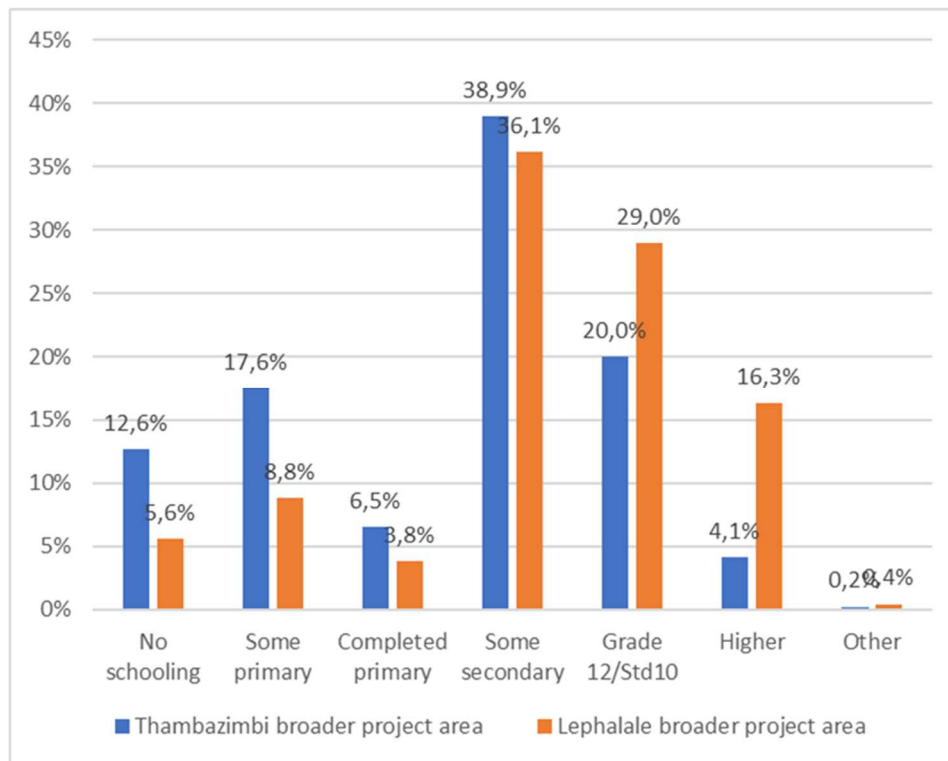


Figure 18: Education Attainment in the Local Municipalities

Source: Stats SA, Census 2011

Thabazimbi LM has 38.9% of adults with some secondary education, 20% who have attained Grade 12 and 4.1% who have a higher education. In Lephalale LM the education trend is slightly lower with 36.1% of adults with some secondary education. However, Lephalale LM shows significantly higher education levels with 29% of adults who attained Grade 12 and 16.3% with higher education.

5.2 Community Development Needs

The community development needs were assessed using sustainable livelihoods framework while taking cognisance of the NDP capability framework. According to the NDP, the following capabilities together with opportunities are envisaged to create a virtuous cycle of community development. The community development capabilities include:

- Nutrition;
- Housing, electricity, sanitation and water;
- Transport;
- Education and skills;
- Safety and security;
- Health care;
- Employment;
- Recreation and leisure; and
- Clean environment.

Thabazimbi LM and Lephalale LM share a number of similarities in terms of demographic indicators as shown in Section 5.3.1. However, the community development needs differ for each local municipality. This section will provide a brief overview of key indicators, providing a further analysis of the statistical information provided in Section 5.3.1.

5.2.1 Local Economy, Labour, Skills and Income

The local economy in Thabazimbi is dominated by the mining sector, followed by agriculture, hunting forestry and fishing sectors and then the wholesale and retail sector (Stats SA, 2011). This is in comparison to Lephalale LM's top four sectors which are construction, agriculture, hunting, forestry and fishing sectors, followed by community social services and then mining and quarrying.

The labour force data as shown in Section 5.1.12 shows that between 2007 and 2011 there has been an increase in the two highest income groups in both local municipalities. This could be attributable to the mining sectors and the energy sector (the Medupi construction phase). However, there had been significant increases in the percentage of people who reported no income over the same period. As such, social grants continue to play an important role in the Province as a whole to provide desperate income generation for vulnerable households. The Limpopo province had 2.5 million recipients of social grants in 2011, with the child grant and pension grants forming the bulk of the grants provided.

The labour force data shows (see Section 5.1.11) that unemployment rates for Thabazimbi increased to 20.6% over the period from 2007 to 2011 compared to Lephalale LM with a decrease to 22% unemployment over the same period. It should be noted that the number of discouraged workers increased in both local municipalities. Discouraged workers are those who have given up looking for work over a period of 12 months and are not included in the unemployment rate, which considers people actively looking for work.

Most importantly the issue of skills transference was raised a lot during engagements with stakeholders where it was understood that if the youth have a skill to fall back on, they are more likely to be able to fend for themselves.

There are certain sectors where skills are vital to the operation of the business or the project. Table 10 below indicates skills that are in demand in the Waterberg District Municipality. The data is taken from the District Municipality's Skills Development Strategy. It is based on the economic industries that are prevalent in the District. The Required Skills is based on the potential of absorbing the second economy population. The second economy is characterized by high unemployment and lack of skills mainly among the youth, women and people with disabilities.

Table 10: Scarce Skills in Waterberg District Municipality

Sector	Scarce Skill	Baseline	Required
Mining	Artisan (mining, electricity)	89	120
	Mining Technician	10	90
	Machine Operators	54	140
	Excavator	100	210
Tourism	Engineering manager	2	10
	Tourism marketing	20	200
	Tour guides	690	1200
	Tourism information presenters	50	300
	Travelling and gallery	20	120
	Agriculture engineering	2	12
Agriculture	Veterinary medicines	8	45
	Meat inspectors	18	240
	Horticulturists	1	180

Source: Waterberg IDP, 2019

Understanding the demand for skills in a context or area of operation is important. The demand for skills is mainly determined by business, but it is also influenced by national industrial strategies and provincial plans and swayed by labour's interests (Mzabalazo Advisory Services, 2018).

5.2.2 Population Dynamics

In both Thabazimbi LM and Lephalale LM a large proportion (71% and 65% respectively) of the population falls within a broad youth category (age15-34) (StatsSA, 2018). This youth dividend can mean drastic dependency ratios decreasing as there are many more economically active people who can take care of the young and the elderly in the local municipality. However, this is dependent on the availability of employment opportunities and whether the youth have the capability to benefit from these opportunities on offer. This is dependent on education, skills levels, health, nutrition and other capabilities such as transport, access to information etc. Despite this youth dividend the dependency ratios for the district has increased by almost 10% highlighting the growing youth unemployment from 2011 to 2016.

The age-sex population pyramids (see Figure 4 and Figure 5) for both municipalities show that there are more males with sex ratios of 146.9:100 for Thabazimbi LM and 126.5:100 for Lephalale LM. This can be attributed to large scale in migration of young male job-seekers to the area. The internal

migration patterns show that the majority of people in both municipalities show that they were born in Limpopo, suggesting that they are coming from other areas in Limpopo. This is also reflected in the main language spoken. The most spoken language in Thabazimbi is Setswana, followed by Afrikaans owing to the proximity of Botswana and the extensive White Afrikaans commercial farming community. In Lephalale LM the main language spoken is Sepedi followed by Setswana.

5.2.3 Living Conditions

The living conditions between the two local municipalities differ on a number of livelihood indices and tend to be distinctly different to the District and Provincial averages, given their unique population dynamics and industries impacting the local economies. In general, the developed mining sector in Thabazimbi has resulted in a 60% increase in the overall population size (see Section 5.1.1). These migrant job-seekers have had to contend with limited resources and it has resulted in additional pressure on the TLM to provide access to safe drinking water, housing, electricity reticulation and sanitation amongst other social services such as health and education facilities.

Lephalale LM has experienced a doubling of the male population size and a 75% overall population increase partially owing to the in-migration of job-seekers, attracted by the newly established coal fields and the construction of Medupi power station. This rapid population increase from 2007 to 2016 has placed significant pressure on the local municipality as it struggles to keep up to provide quality basic services.

The 2016 community survey shows that 30% and 21.3% of households in TLM and LLM are informal. This is particularly high when compared to the 13.4% distribution of the population living in informal settlements. The burgeoning informal settlements are not only due to in-migration, but the high unemployment figures would suggest that people would find it difficult to access affordable housing without employment, leaving them with little option to create their own shelter in informal settlements or backyards.

Access to water brings the challenges posed by rapid population growth into sharp focus. Stakeholders consistently mentioned that *“water is life”* in their interviews as part of the primary data collection activities. Many noted that they go for months without piped water, especially in informal settlements, where they have to queue for long hours to collect water at various distribution points. Access to safe drinking water is a challenge for approximately 24% of people in the District and the Limpopo Province. This is in stark contrast to 46.3% of people in TLM who do not have access to safe drinking water. Respondents noted that many community development projects had come to an end because they could not access water. Water issues in TLM are a grave concern, further there are some doubts in the minds of people interviewed whether the pipeline project will alleviate the water challenges. Some people fear that it will exacerbate the water challenges resulting from the lowering of the water table, meaning the boreholes may dry up and the abstraction of the Crocodile River, may impact the Limpopo River as it is a main tributary. Furthermore, some respondents believe that the pipeline will disproportionately benefit the Lephalale LM at the expense of Thabazimbi LM.

Access to electricity has consistently improved. The most marked improvement relates to the use of electricity for heating. Given that electricity costs for heating are significantly higher, it can suggest that people can afford more electricity.

5.3 Overview of Business and Labour

This section provides a desktop overview and discussion of the legislation and industry standards pertaining to business and labour; the expectations that businesses and labour place on mega projects; challenges surrounding skills shortages and businesses that have capacity constraints; the anomaly of rural economies; and the inclusion of vulnerable groups in construction project benefits.

5.3.1 Construction Industry Standards and South African Legislation

The South African construction industry accounts for approximately 3.9% of the country's GDP (Stats SA, 2020). There are various laws, policies, bylaws, and practices that have been devised in an attempt to ensure that communities benefit from infrastructure development projects through skills development and preferential procurement for local businesses. The objective of the Constitution is to promote the achievement of equality, legislative, and other measures designed to protect or advance persons, or categories of persons, disadvantaged by discrimination. One of the aspects defining the constituent is the social rights catered for in the Constitution. These include equality (section 9), human dignity (section 10), access to information (section 31), and just administrative action (section 33).

However, despite the equality provision in the Bill of Rights, labour skills and business opportunities to communities remain an issue of concern. The legislative and policy frameworks are often not comprehensive and leave room for exploitation, which then leads to the violation of human rights in the construction context emanating in labour strikes and work stoppages and subsequently resulting in cumulative losses.

A challenge in the construction industry is the misalignment between people who are supposed to benefit and those who actually do benefit. This relates to the gap in the legislature and its susceptibility to manipulation.

To promote a regulatory and development framework, the South African government established the Construction Industry Development Board Act (No. 38 of 2000), which is a Schedule 3A public entity whose main objective is to ensure that the construction industry delivers the capability for South Africa's social and economic growth.

The Construction Industry Development Board (CIDB) provides the industry with guidelines and standards, and through strategic partnerships with critical stakeholders, strengthens the Government's ability to develop and implement targeted contractor development interventions. The CIDB has developed standards that provide procedures and methods which are required by law to be applied to certain key procurement processes, as well as a series of best practice guidelines, which have now been incorporated into the recently published ISO 10845 standards for construction procurement. These standards emanate from the Constitution of the Republic of South Africa (Act 108 of 1996) that requires a procurement system that may be expressed in qualitative terms as fair, equitable, transparent, competitive, and cost-effective.

The National Contractor Development Programme (NCDP) is geared at enhancing capacity, promoting equity ownership across the different contracting categories and grades, as well as improving skills and performance in the delivery of capital works across the public sector.

The National Workshop (2005), Towards a Common Framework for Enterprise Development and Growth, shifted the focus from job creation to business development and suggested that public sector enterprise development programmes target the following construction businesses:

- Businesses that are not labour-only contractors;
- Businesses that have the potential and desire to improve their CIDB contractor grading designation; and
- Business that falls within the CIDB classes of works or contractor grading designations where gaps exist either nationally or regionally.

In consideration of the shortage of skills in South Africa, the government enacted the Skills Development Act (SDA) of 1998 (Act 97 of 1998). The Republic of South Africa defines skills development as an institutional framework to devise and implement workplace strategies in order to develop and improve the skills of the South African workforce, as well as to integrate those strategies within the National Qualifications Framework contemplated in the South African Qualifications Authority Act, 1995. The main aim of the SDA is the following:

- To improve the quality of life of workers, their prospects of work and labour mobility;
- To improve productivity in the workplace and the competitiveness of employers;
- To increase the levels of investment in education and training in the labour market and to improve the return on that investment;
- To promote self-employment; and
- To improve the delivery of services.

5.3.2 The Uneasy Relationship Between Community Needs and Mega Construction Projects

Predominantly rural municipalities that are rich in minerals are often challenging when it comes to initiating projects that are meant to benefit the community. It is for that particular reason that some of the mega-projects in rural areas of South Africa, such as the construction of Medupi Power Station and N2 Wild Coast Toll Road are marred by delays caused principally by community unrest. This is even though construction work, including the construction of roads, bridges, tunnels, railways, airfields, electricity facilities, dams, and pipelines are often referred to as social and economic infrastructure (Lowitt 2007).

These types of projects can serve as a foundation for the process of social and economic development of a country or village. The completion of a project within the prescribed time is a critical factor for project success (Chan and Kumaraswamy, 1997).

Projects are temporary and unique (Yang et al., 2011a, 2011b) and these characteristics require additional effort to generate trust between the project stakeholders (Grabher, 2002). Megaprojects attract widespread interest; controversy and publicity as their sheer size open them up to constant scrutiny.

Consequently, project managers need to be attuned to the cultural, organisational and social environments surrounding projects. Project managers have mainly focused on technical skills and rigid procedures, and the political and social issues around mega projects have been overlooked and stakeholders poorly managed (Flyvbjerg, 2013).

Community participation, that is, the direct involvement/engagement of ordinary people in the affairs of planning, governance, and overall development programmes at the local or grassroots level, has become an integral part of democratic practice in recent years (Jayal, 2001).

Community participation is often driven by specific socio-economic goals that seek to ensure a *'better life for all'*, especially for those who have been historically marginalised (Williams, 2006). When a community begins to feel left out on a project, they may behave ambivalently towards the Project, this is demonstrated through hostile protestations and in some cases downright sabotage on these projects (Oliomogbe and Smith, 2012).

According to IRN (2003), some projects are the cause of impoverishment for several people. Flyvbjerg et al., (2003) evaluation of mega projects is less positive, not because of their financial and environmental costs but because of their predominant tendency to disproportionately affect the most vulnerable people.

Ribeiro (1987) points out that even though mega projects create an outstanding offer of labour, the people coming from local communities, closer to the sites of the project are assigned in the lowest positions of the labour market. The numbers of jobs created represent a small proportion of the massive financial investment for the project.

a) Challenges Faced by Project Proponents

Community challenges are almost inevitable when implementing mega projects. A study conducted in the Eastern Cape found that the local municipality encountered various challenges such as skills shortage, corruption, poor infrastructure, lack of monitoring and evaluation on development projects, a poor revenue base among others (Shava & Reckson, 2016).

The same could be said about the Medupi Power Station Project where the rush to implement the project meant that labour unions were not properly consulted, and this led to protestations ranging from complaints about poor working conditions to resisting hiring skilled foreign workers (Khatleli, 2016).

This appears to confirm the conclusion made by Wolmar (2013) that mega projects struggle with public acceptance and support. On the Medupi Power Station Project, a culturally sensitive issue regarding the relocation of the remains of the ancestors led to discontentment.

b) Labour Skills

The supply of appropriate skills is a necessary condition and central instrument for promoting long-term growth and development of the economy. This is corroborated by the third National Skills Development Strategy: *"Skills development is not just about training people for employment; it must also empower people to create opportunities to make a living for themselves. Low levels of education and training, as well as the lack of standardised, appropriate and accredited training, are key constraints to enabling people to create their opportunities. They are also constraints to up-scaling the contribution of cooperatives, which have historically played and continue to play an important role in providing sustainable livelihoods to the majority of South Africans"* (Department of Higher Education and Training, 2011).

The South African government is mandated by the legislature to ensure that every mega project contributes to the community through skills development and the empowerment of local businesses. Agreements generally state that the contractor must ensure that they

subcontract a minimum of 30% of the works to local emerging entities that are at least 51% black-owned. This is the government's way of ensuring that the company complies with the SDA of 1998 and the Construction Industry Development Board Act of 2000.

However, most businesses in rural communities that are meant to benefit are either without the required skills, or their companies are non-compliant for one reason or another. This leaves such projects having had to benefit an offset company which results in the local community feeling that they are being overlooked. In such instances communities may resort to protests, resulting in project delays (Doloi, Sawhney, and Iyer, 2012; Doloi, Sawhney, Iyer, and Rentala, 2012; Durdyev et al., 2017).

c) **Skills Shortages**

The need for skills development and transfer of skills in South African cannot be overstated. The B-BBEE scorecard incorporates this as a priority element. Businesses must meet the minimum target of 40% for skills development or risk dropping a level on the overall scorecard.

This concept was devised in the hope that the SDA would help address the skills shortage the country is facing. However, the impact has been small. Hoffman (2007) states, "*in South Africa, there is one engineer for every 3,200 people. In China the figure is 130, in Europe, it varies between 300, in Australia, and there is one engineer for every 450 people*". Nevertheless, Lowitt (2007) and Letseka (2004) agree that the problem of skill shortages in South Africa has more to do with personal interest and gain. In addition, some companies view the transfer of skills as capacitating and enabling future competitors.

Understanding the demand for skills in a context or area of operation is important. The demand for skills is mainly determined by the business, but it is also influenced by national industrial strategies and provincial plans and swayed by labour's interests (Mzabalazo Advisory Services, 2018).

The literature indicates that there are challenges with skills development and training. The Industrial Policy Action Plan's (IPAP) assessment is: "*Skills development and training has emerged as one of the key constraints holding back several if not all, sector development*" (2007). It notes "*a need for greater and stronger integration between industrial and skills policy and implementation, particularly concerning sector strategies*" (IPAP, 2007).

5.3.3 **Small, Micro and Informal Businesses in South Africa**

Globally, the small business sector is regarded as the engine of economic development. Small business is often seen as a potential key driver of job creation, equality, and innovation in South Africa. The NDP argues that small businesses can open new opportunities to create jobs and pave the way for economic empowerment.

Small businesses in South Africa comprise a range of enterprises, from self-employed individuals to those making a living selling goods on street corners to high-level service providers. Small businesses are relatively scarce in historic labour sending regions in South Africa, in contrast, these areas contain a third of informal businesses (The Real Economy Bulletin, 2019).

The Sustainable Livelihoods Foundation (SLF) has in recent years been investigating the nature of informal enterprises in South Africa, the growth of the sector and the challenges enterprises face.

Informal micro-enterprises are found to be firmly established in the township and inner-city economies, typically taking the form of liquor retailers/shebeens, spaza shops, house shops, hair salons, takeaways, and mechanical/electrical repairs.

Shebeens and spaza shops are found to have the biggest multiplier effect on direct and indirect job creation. The emergence of informal economic activity is related to the spatial design of each township or rural area. For example, micro-enterprises often emerge around transport nodes where there is an increase in pedestrian traffic and therefore potential consumers and market spaces on the high streets create more potential for a successful business.

Legislation has the potential to help or hinder the informal economy. Restrictive legislation that is diligently enforced will have the effect of hindering the proliferation of informal enterprises and traders. Although some regulation is undoubtedly necessary, regulatory requirements should be eased for micro-enterprises in light of the vital role the informal economy plays - not only in providing work and income, but also in facilitating access to goods and services that are otherwise spatially inaccessible.

5.3.4 Business Statistics

The high rate of unemployment implies that opportunities for the establishment of small industries or businesses which are labour intensive should be pursued to make use of the potential workforce (LLM Annual Report 2018-2019). The South African government is committed to addressing poverty and inequality by achieving accelerated and equitable economic growth and this is encouraged through the support of small businesses.

Of the 2.2 million SMMEs in South Africa, just over 200,000 are in the manufacturing sector. There are almost 1.5 million SMMEs classified as informal, but just 9.2% of those are in the manufacturing sector. The number of SMMEs dropped between 2008 and 2015 by almost 70,000. Nevertheless, there is scope for expansion, given that the number of SMMEs in South Africa is said to be relatively lower than in other emerging economies (Bureau for Economic Research, 2016).

Figure 19 below shows that the number of informal businesses increased from 1, 3 million to 1, 5 million in 2017.

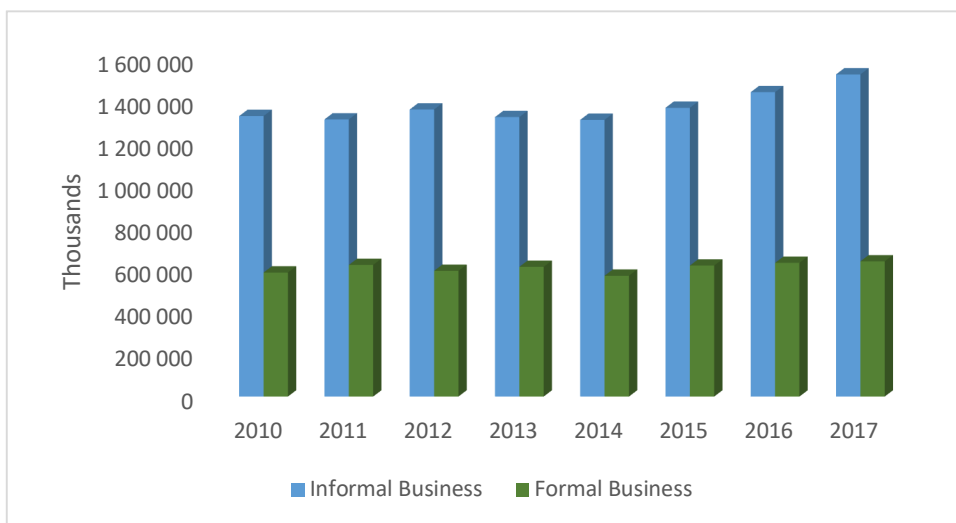


Figure 19: Formal and Informal Businesses in South Africa

Source: Statistics South Africa

Part of the government's drive to build the economy of rural South Africa is to encourage the development of small enterprises in these areas; that is, enterprises driven by an individual as a business, or cooperative enterprise (Small Enterprise Development Agency, 2007).

The Limpopo Economic Development Environment and Tourism (LEDET) recorded a total of 15 577 SMMEs in 2014. During the period under review, the Limpopo Economic Development Agency incubated 93 SMMEs and 163 cooperatives in all five districts of Limpopo Province, thereby sustaining and creating 519 SMME job opportunities and 705 cooperative jobs. The TLM and LLM are characterised by different businesses, these businesses are described in Table 11 below.

Table 11: Small Business Types

Type of Business	Description
Survivalist enterprises	Activities performed by people who are unable to find a paying job or get into an economic sector of their choice.
Micro-enterprises	A very small business, often involving only the owner, some family member(s) and at most one or two paid employees.
Small enterprises	Constitutes the bulk of established businesses, with employees ranging between 5 and 50. The enterprises are usually owner-managed or directly controlled by owner-communities.
Medium enterprises	Employs between 51 and 200 employees and has a turnover of R5 million per annum.

Source: LEDET Annual Report

5.3.5 Challenges Facing Rural, Small Businesses

Limpopo Province is largely rural and the rate of unemployment is high compared to other provinces. Many businesses are informal, because of the low level of skills and illiteracy. Entrepreneurs lack access to information and their infrastructure is largely underdeveloped.

In most cases, SMMEs located in urban centres have better access to services compared to those in poorer areas as well as the necessary services for business survival and growth. These include access to water, electricity, serviceable roads, telecommunications, postal services, and protection from crime (Rogerson, 2004).

Rural entrepreneurs often compete within a small location, specifically with relatively low-income clients, where fewer customers may afford products. Anecdotal evidence reveals that in most instances customers purchase goods on credit with the promise to pay when they receive social grant pay-outs. Larger, more developed markets may be situated at prohibitive distances from the entrepreneur's home, and the entrepreneur's proximity to both buyers and suppliers constrains business performance (Rogerson, 2004). The rural SMME sector also tends to lack diversity, and individual enterprises often operate in overtraded markets.

It can be noted that the government makes efforts to support and empower businesses, however, there are certain challenges that local economic development departments may encounter. The LLM highlighted the following challenges:

- The high rate of unemployment;
- The large volume of unskilled community members, especially youth;
- Low interest in educational programmes;

- Low interest in agricultural initiatives by youth;
- Failure to effectively implement and monitor the progress of LED strategies;
- LED institutional capacity is low and undeveloped;
- Economic downturn; and
- Mushrooming of illegal hawkers' stalls.

Businesses and their owners encounter several challenges in their operations. The literature suggests that small business owners typically cite structural issues such as economic conditions, access to finance, access to markets, and skills as their main challenges. However, they also refer to onerous regulations and government bureaucracy as a secondary problem. A study conducted among SMME's in the Limpopo Province found that there are several challenges that these businesses encounter (LEDET, 2015). These challenges include:

- Competition from unlicensed businesses;
- Unavailability of working capital;
- Lack of efficient and effective manufacturing machines;
- Poor business management;
- Access to markets; and
- Competition from well-established businesses, e.g. Shoprite and Spar.

Lack of own transport markedly increases the transaction costs for enterprises based in remote rural areas or at large distances from main roads. An examination of issues surrounding SMME competitiveness and support needs is particularly relevant in light of the new challenges posed to SMMEs by a changed trade policy regime in South Africa, which is marked by a shift away from protectionism to an open trading environment (Rogerson, 2004).

Another study conducted in the Vhembe District Municipality among small businesses found that several entrepreneurs cannot access finance because they are not credit-worthy. In some instances, entrepreneurs admitted to not having the required business skills. The study noted that support agencies do not have enough capacity to assist many entrepreneurs who need their business support services. It was also noted that agency services are not well co-coordinated to provide entrepreneurs with a complete set of services needed for growth and development (Netshandama, 2006).

5.3.6 Vulnerable Groups in the Economy

The second-tier economy is characterised by high unemployment and a lack of skills mainly among the youth, women, and people with disabilities (Lephalale IDP, 2019). However, poverty and inequality are structurally entrenched in South Africa's wage economy, asset distribution (especially land), urban spatial planning, and education system. Individuals born into poor families and communities, therefore, face extremely high barriers to upward mobility.

It is important to contribute to transformation via support to race, gender, and disability targets. For example, the gender wage gap persists, pushing working women to do multiple jobs, and informal activities. Women's access to the market for entrepreneurial activities remains limited.

Women are more likely to work in the informal economy (mostly in trade), or in low-paying industries, which excludes them from other benefits. Furthermore, women in the more non-standard, low paid,

low skilled jobs are largely unorganised and are therefore not included in collective bargaining processes.

Efforts must be put in place to:

- Assist vulnerable groups with job applications; and
- Assist residents to obtain internships and learnership placements to enable them to gain experience in line with their qualifications and areas of interest.

6 FINDINGS AND KEY OBSERVATIONS

6.1 Socio-political Climate Analysis

6.1.1 Scope and Purpose

The overall purpose is to develop a baseline understanding of the socio-political dynamics in the project area. The aims are to determine the perceptions that communities, political and traditional leadership have of the Project and the ways in which they think it will improve or worsen their lives and socio-economic context. This gave insight into the political atmosphere that can be expected when the construction phase begins. This was achieved through the following activities:

- Identifying the political parties and their powers and influence in the area;
- Identifying political factions and the impact they have on communities;
- Investigating community forums such as farmer associations, hunting societies, agricultural schemes, business forums, women's groups, youth groups, and farming and irrigation communities such as those in Hartbeespoort Dam, Makoppa and Mooivallei farming community and other similar entities that may be identified; and
- Assessing the risk posed by the upcoming local government elections to be held in 2021 and the implications of the previous elections.

The output of this focus area is a socio-political intelligence report.

6.1.2 Municipal Project Support and Socio-economic Characteristics Affecting Local Politics

This section provides an indication of the support for the Project in each municipality. Further, this section provides a summary of key socio-economic issues identified in each local municipality as per their IDP in conjunction with the statistics provided in Section 5.3.1 above and the interviews with various stakeholders to contextualise the socio-political climate in Thabazimbi and Lephalale LM.

a) Local Municipality Support for the MCWAP-2 Project

Based on IDP reports and interviews with various stakeholders there is a clear need for the Project and wide scale support for the Project. The needs of each municipality vary slightly; these are outlined for each municipality below.

i) Thabazimbi LM

The Thabazimbi 2012/13 Integrated Development Plan highlights the potential usage of water from the MCWAP to supplement water for domestic use in the municipality. The IDP indicates that the Department of Water and Sanitation (DWS)

commissioned the Mokolo Crocodile (West) Water Augmentation project (MCWAP) feasibility study to investigate the options for meeting the domestic water requirements. The brief of the feasibility study dictated that DWS include Thabazimbi Municipality due to the water demand challenges facing the municipality (Thabazimbi LM, 2013). This seems to suggest that the municipality is in support of the MCWAP-2. However, the MCWAP-2 is not mentioned in recent municipal planning documents (Kongiwe Environmental, 2018). During interviews with TLM technical officials, they reported that the DWS supports off-take from the pipeline; however, the tariff quoted for the raw water uptake is higher than the tariff currently paid to Magalies Water for treated bulk water for some urban sections of the municipality. The municipal officials indicated that there is a risk that if potable water is not provided to communities along the pipeline, protests and vandalism may arise.

ii) **Lephalale LM**

In its latest annual report, the Lephalale LM indicates that the DWS appointed consultants to investigate alternative solutions for provision of water to the Lephalale Node Area 1 as a result of the development potential of the municipality. The report notes that based on water infrastructure, the current water availability and water use allows only limited spare yield existing for future allocations for the anticipated surge in economic development in the area. The report notes that the DWS commissioned the Mokolo Crocodile (West) Water Augmentation Project (MCWAP) to analyse the options for transferring water from the Crocodile River (West) with the intention to implement the project in two phases - augmentation of the supply from Mokolo Dam, and transfer of water from the Crocodile River (West) to the Lephalale area. The municipality acknowledges that it is imperative to note that the outcome of the MCWAP needs to be implemented to address expected water shortages before any development in Node Area 1 will be viable, as currently the area does not have sufficient water resources to sustain any new development (Lephalale LM, 2019).

The municipality supports the MCWAP-2 both in terms of the anticipated benefit of increased water supply for domestic and industrial uses (mining and power generation), and for the resulting economic development that an increased water supply is expected to bring.

b) **Key Socio-economic Characteristics Affecting Socio-political Dynamics**

i) **Thabazimbi LM**

The following issues impact the socio-political dynamics in Thabazimbi LM.

- **High unemployment:** Statistics show that 20.6% of the population in Thabazimbi is unemployed and youth unemployment is at 27%.
- **High in-migration:** There are indications that the driving factor of population growth in the municipality is in-migration. The municipality's population growth rate is 2.76% year on year (Thabazimbi LM, 2019). Given the historical character of areas that make up the municipality, the high population growth, which is above the national average of 1.43%, can only be attributed to migration into the municipality, possibly driven by mining activities. The

character of human settlements, with 32% of the housing structures being informal, the high male-female ratio (146:100) and the small household size at 2.8 people per household, all point to in-migration patterns. Given that the native landowners where mining occurs are communities located in the North West Province, it is possible that the majority of the “in-migrants” are from North-West communities in the Moses Kotane LM.

- **High internal movement:** People tend to move as close as possible to areas with economic opportunities, resulting in the development of unplanned informal settlements around areas of economic activity. As such, it is anticipated that once the MCWAP-2 starts, a large proportion of the work-seeking population from Ward 12 (where Regorogile township is situated) would most likely relocate to Wards 1 and 9 where job opportunities are located thereby causing social and political distress in those wards in a jostle for social and political recognition in the affected areas. The same trend is likely to apply with respect to unemployed people in Ward 12 flocking into Ward 3 for job opportunities. There will likely also be an influx of job-seekers from other parts of Thabazimbi LM, the Province and further afield.
- **High youth component:** The youth make up 63% of the population in the municipal area. Combined with low skills levels and high youth unemployment rate, this increases the demand for low skilled jobs on any project.
- **Male dominated sex-ratio:** The sex-ratio of 146:100 suggests that there are almost 50% more males than females in this municipality. Again, this demonstrates the influx of young men that come from outside the municipality in search for job opportunities.

ii) Lephalale LM

In Lephalale, the following dynamics have a direct impact on the socio-political dynamics of the area.

- **High unemployment:** Just over 22,02% of the population in the municipality is unemployed. There is no indication of the rate of youth unemployment, however recent protests (sometimes violent) over issues related to unemployment can only suggest that youth unemployment is high.
- **High population growth:** The population growth is at 3.76% year-on-year, also suggesting high in-migration as opposed to normal natality-mortality rates.
- **High youth composition:** Young people make up 54% of the population in the local municipality.
- **Male dominated sex-ratio:** Lephalale Municipality, whose history includes homeland settlement patterns, shows a sex ratio of 126.5:100, which point to in-migration of males into the municipality due to the mining and power generation projects.

6.1.3 Local Government Election Outcomes

Before the 2016 local government elections, the Waterberg District had six local municipalities. After a demarcation process was completed in 2015, the Municipal Demarcation Board amalgamated the then Mookgopong and Modimolle Local Municipalities into one local municipality reducing the number of local municipalities in the Waterberg District to five. The project area affected local municipalities, namely, Lephalale and Thabazimbi, were not affected by the redetermination of municipal boundaries in 2015. The results of the 2016 local government elections for the two local municipalities and the Waterberg District Municipality are presented below.

a) 2016 Local Government Election

i) Thabazimbi LM

The 2016 local government election results for Thabazimbi LM are summarised in Table 12 for the parties that achieved enough votes to participate in the governance of the local municipality (IEC, 2016).

Table 12: TLM 2016 Local Government Election Results

Political Party (Highest to Lowest)	Percentage of Votes	Number of Seats Won		
		Ward	Proportional	Total
African National Congress (ANC)	45.3%	8	2	10
Democratic Alliance (DA)	22.2%	2	3	5
Economic Freedom Front (EFF)	20.2%	2	3	5
Thabazimbi Residents Association (TRA)	8.4%	0	2	2
Vryheidsfront Plus	2.7%	0	1	1

Source: IEC Online www.elections.org.za

The 2016 election results demonstrate a steady decline in support for the African National Congress (ANC) and an increase in support for the Democratic Alliance (DA) since 2006. The 2006 elections resulted in a 68.82% ANC majority followed by the DA at 11,86%. This is compared to the 2011 Local Government Elections where the ANC had a majority win of 62.71% of the votes followed by the DA at 19.86%. The 2016 elections also brought in three players that did not have significant presence or were absent before 2016, notably the Economic Freedom Front (EFF) which did not exist in 2011 elections but scored five seats in its first attempt; the Thabazimbi Residents Association (TRA) which does not have a known affiliation to any of the major national political parties but won two seats; and the Vryheidsfront Plus which secured one seat in the 2016 elections.

(i) Project-affected Wards 1 and 9

Ward 1 is under the ANC as one of the eight wards it won in the 2016 local government elections. Socio-political issues in this ward are influenced by the

presence of the growing number of informal settlements, which often accommodate job-seekers from outside South Africa, as well as the high unemployment rate.

Ward 9 is also under the ANC and the municipality's Integrated Development Plan (Thabazimbi IDP, 2019) highlights unemployment and lack of housing as two prevailing challenges.

Since 2016, one by-election was held in Thabazimbi in November 2019. The Ward was previously won by the DA and it was again won by the DA, although with a reduced vote percentage (Gerber, 2019).

ii) Lephhalale LM

The 2016 Local Government Election results for Lephhalale Local Municipality are summarised below in Table 13 for the parties that achieved enough votes to participate in the governance of the local municipality (IEC, 2016).

Table 13: LLM 2016 Local Government Election Results

Political Party (Highest to Lowest)	Percentage of Votes	Number of Seats Won		
		Ward	Proportional	Total
African National Congress (ANC)	64.6%	10	7	17
Economic Freedom Front (EFF)	19.7%	0	5	5
Democratic Alliance (DA)	13.4%	3	1	4

Source: IEC Online www.elections.org.za

The ANC won a majority of the votes in 2006 and 2011 at 83.69% and 82.21% respectively. In the same two local government elections, the DA received 11.37% and 12.67% respectively. This shows a slight decrease of support for the ANC since 2006, and a slight increase of support for the DA. The participation of the EFF since 2016 has been notable, resulting in the second highest voter support in the local municipality and winning five seats in its first election. The EFF seemed to have taken significant support away from the ANC and so has the DA, given its continued upward trajectory in voter support in spite of the EFF as a newcomer to the political scene. Before then, only the ANC and the DA received enough votes to secure seats in the council. Despite the gains by other political parties, the ANC remains the governing party of the municipality.

(i) Project-affected Wards 2 and 3

Ward 2 is under the ANC (51.01% of votes) and covers Matimba Power Station, Grootegeluk Mine and portions of Marapong Township. The ward has an informal settlement and access to services is an ongoing issue. Concerns related to employment and procurement opportunities are common place in the ward.

Ward 3 is under the Democratic Alliance with 43% of the votes compared to the ANC with 35.31% and the EFF with 17.24% of the votes (IEC 2016). The ward is largely composed of farmland - a significant portion of Onverwacht suburb (Steenbokpan). Issues of security, especially for neighbouring landowners, as well as water allocation, are of importance to the farming community.

b) 2020 By-elections

The Independent Electoral Commission (IEC) hosted nationwide by-elections on 11 November 2020 across 96 wards in 56 municipalities. The national state of emergency declared on 27 March 2020 prevented any by-election to fill vacancies. The vacancies in the majority of the affected municipalities were as a result of COVID19 related deaths of elected officials. The 2020 local government by-elections did not affect either TLM or LLM as there was no need to elect new officials.

6.1.4 Overview of Local Governance Structure

This section discusses the current local governance structure of the project-affected local municipalities as well as the current political dynamics and the role of the traditional authorities.

a) Thabazimbi LM

Before the 2016 local government election, the Limpopo Provincial Government put Thabazimbi LM (then under ANC government) under administration due to financial maladministration which led to the municipality failing to honour its debts. This spurred on the formation of the coalition local government, with the primary purpose being to bring better governance to the local municipality by ousting the ANC led local government.

The coalition government has been established by the minority parties combining their 13 seats and electing a Mayor from the Thabazimbi Residents Association (TRA). This meant that with only ten seats, the ANC did not receive enough votes to continue as the governing party in Thabazimbi LM. The coalition local government is constituted with five EFF and five DA councillors, two TRA councillors and one FF-Plus councillor. According to Molefe (2018) there remains a possibility that, by direction of national leadership of the majority parties (EFF and DA) or dynamics of local politics, the coalition government may fall. However, amongst the respondents interviewed it is believed that the coalition will remain intact after the 2021 local government elections.

The ANC is looking to gain back their seats lost in the council chambers. They are forming closer relationships with the EFF members which could result in an EFF-ANC coalition government in 2021.

i) Current Political Dynamics in Thabazimbi LM

It is reported that the coalition government is working well, with better governance and greater accountability between the various parties. The coalition government creates internal checks and balances as it forces more consultation and consensus building between the parties.

Thabazimbi Local Council has elected its second mayor since the 2016 Local Government Elections (LGE). The previous mayor was recalled by the TRA due to internal TRA politics and was replaced by the current Mayor. It was noted that the current Mayor, a former ANC member, is well respected and good at consensus building both inside and outside the council chambers.

Thabazimbi LM however, does not seem to have effective mechanisms of engaging its external stakeholders. In its 2018/19 Annual Report, the municipality reports that it failed to convene two meetings of its Stakeholder Engagement Forum due to lack of coordination (Thabazimbi LM, 2019).

The project-affected wards, namely wards 1 and 9 of Thabazimbi are ANC strongholds. This creates tension in the way the Project is promoted within the local municipality. Despite the support for the Project from the coalition government, some feel that the ANC will benefit disproportionately as the Project is traversing ANC-led wards.

It is understood within the council chambers that the Project is a strategic national project and support for the Project is to transcend party politics as that the benefits are to be shared between two local municipalities. However, it is reported that the ANC councillors do not want to use this narrative. Instead, they want the Project to be perceived as a national project brought to the people by the ANC-led national government. It is likely that the Project will be used in campaigning efforts. Furthermore, these political party tactics will likely play out in the recruitment processes, where it has become common practise for councillors to lobby so that 50% of labourer jobs are ring-fenced for the project-affected wards. The relevant councillor then becomes central to recruitment processes. In doing so, their respective constituencies are prioritised and these job allocations are used in campaigning efforts ahead of the 2021 local government elections.

The DA has retained a ward during the first by-election since 2016 LGE. It is participating in the coalition government by occupying a position of Speaker of the Council. The Speaker's Office has an important role in facilitating public participation, overseeing conduct of councillors and coordinating the work of ward committees.

The EFF has won two wards in the 2016 LGE and these wards are mainly dominated by informal settlements, directly demonstrating the appeal the party has especially in semi-rural communities. The EFF regional leader also occupies an important role as Member of Mayoral Committee (MMC) for Infrastructure (water, roads, electricity, sanitation, storm water, etc.). The EFF is regarded as a kingpin in deciding who to support for the Mayoral position and as such a force to reckon with during the 2021 LGE.

The Freedom Front Plus has one proportional councillor in the Council. Their support stems from the white electorate both in the urban area and farmlands. Their influence in the political landscape of the municipality is not so much that they can be a deciding factor as to who takes control of the municipality, but that they contributed significantly toward the formation of the coalition government that ousted the ANC out of power.

It is not clear as to whether the minority parties will be able to sustain their coalition arrangement come the 2021 LGE as the TRA has been seen as the main leading party in the coalition. The fact that the ruling party has changed the rule that those who wish to be nominated as councillors during the 2021 LGE should possess not less than a matric qualification in order to be considered for the position, could therefore, tip the balance in favour of the ANC if it could forward candidates that are supported by the community.

ii) Traditional Authorities

There are no traditional authorities in Thabazimbi LM. Historically, this area was not part of a *Bantustan* and it developed out of mining in the area. The local municipality is considered to be largely urban and peri-urban.

b) Lephalale LM

Lephalale LM has been stable from a political governance perspective in that it has not experienced any change of governance. The governance of the council has also been established through a clear majority election result. The ANC has very strong support in the rural areas. Tensions within political parties may detract from the community developmental agenda as politicians focus on power struggles ahead of the local government elections.

i) Current Political Dynamics in Lephalale LM

Despite the stability in the governance structure, there seems to be a trust deficit between the electorate and local government. Sixty-five percent of the respondents that participated in the community development survey were very explicit in their concerns relating to political interference in the recruitment and procurement processes of projects in the local municipality. It was reported that private projects that use official political and administrative channels are tainted with the perception of political interference in recruitment and procurement processes. Furthermore, it was observed during the fieldwork that politicians were speaking publicly about the MCWAP-2, claiming credit for bringing the Project to the Lephalale LM. The majority (90%) of organisations interviewed are in support of the Project.

The project-affected wards, namely ward 2 and ward 3 are ANC and DA run wards respectively. Lephalale LM is considered to be a largely rural municipality with a small urban centre of Overwacht (old Ellisras). The majority of the support for the ANC stems from the rural areas. Places like GaSeleka, Shongwane and Langa all fall under the Traditional Authorities.

It is reported that the influence of the DA councillor is limited as the majority of the people in ward 3 are ANC supporters who have settled in the area at the height of the construction of Eskom Medupi power utility. They tend to vote in their home towns during the local government elections; as such the DA has retained the majority vote from resident farmers as its support base.

ii) **Traditional Authorities**

The Traditional Authorities do not have an influence in the governance of the local municipality but they have been involved in the recruitment processes on infrastructure projects. Given that the ANC support primarily stems from the rural areas that fall under the authority of traditional leaders, ANC councillors tend to work closely with traditional leaders in recruitment processes in Lephalale LM. The employment of people in the rural areas is prioritised over those in the urban areas. There are four recognised recruitment centres across the local municipality, three in the rural areas and one in the urban area. If there is an urban project, people are recruited from all areas, but if there is a rural project only people from the rural areas are recruited.

Some of the traditional leaders have intimated that although they do not have a problem with the local municipality and its governance structures, they have reservations about the Mayor as an individual and how he uses his position for his own gain and the gain of those who enjoy his patronage.

6.1.5 Local Community Politics

Local governance in the area seems to have an influence on local community politics. How politicians relate to the electorate and how well the local community can organise themselves and relate to each other can have a significant influence on the Project. This section provides a description of some of the pressure groups that exist at the local municipal level, organised interest groups who have or may have an interest in and influence on the Project, examples of previous issues which sparked community protests as well as the current levels of cooperation between various interest groups and community factions.

a) Community Pressure Groups

The living conditions in Lephalale LM and Thabazimbi LM are influenced by power generation and mining activities respectively. As demonstrated by the latest IDPs of both municipalities, these activities have resulted in an influx of job-seekers into the two municipalities. Such migration is already being demonstrated by mushrooming of informal settlements and increases in the number of unemployed. In addition, municipalities are often not able to cope with delivering services to communities, especially low-income groups who cannot afford housing and related amenities. Failure of municipalities to address service delivery and unemployment may fuel tensions in communities.

In its 2019 Annual Report, Anglo-American highlighted that there is rising unemployment, mainly in Sekhukhune and Waterberg Districts, as mines downscale and there is an emergence of informal stakeholder groupings, all requesting independent engagement with mines despite agreed platforms (Anglo American, 2019). According to its 2019 Annual Report, tensions have been escalating between communities and different institutions in the Western Limb of the Bushveld mineral complex (which includes Thabazimbi) with reports of over 200 protests targeted at different mines and the municipality. The report also indicates that slow service delivery from municipalities is putting pressure on mines to deliver services that would otherwise be delivered by municipalities as local authorities (Anglo American, 2019).

ArcelorMittal has also experienced opposition from local pressure groups in Thabazimbi. The South African Child and Youth Development (SACYD) presented a memorandum demanding that job and business opportunities be reserved for Thabazimbi local residents.

The local media in Lephalale has reported on socio-political tension. There are reported tensions between political parties on a municipal level, with some groups expressing distrust in politicians (Kruger, 2018). There is also tension in the communities, which can be attributed to competition for jobs and scarce resources. This results in strikes and protests about job opportunities, xenophobic incidents (especially if communities feel that outsiders benefit more from job opportunities than locals) and conflict about political power when it comes to sharing of information about potential economic opportunities.

There has been a growing tendency for strikes to become violent in Lephalale over the last five years. These strikes related to wage negotiations, job losses, working conditions, service delivery, employment policies and bonuses amongst others (Mogolpos, 2019). These strikes are present in all commercial sectors, ranging from retail to industrial. Further information is provided in Section b) on historical protest action in Lephalale and Thabazimbi LM.

b) Historical Protest Action in Local Communities

Community level unrest and protests have been reported in the two municipalities. Previously, the Municipal Demarcation Board reported that there were two protests in the 2016/2017 financial year and only one protest action or petition handed to the municipality in the 2017/2018 financial year in Thabazimbi LM. Similarly, in the Lephalale LM there were zero reported in the 2017 financial year. However, there were 6 protests recorded in the 2018 financial year in Lephalale LM, an average of one protest every second month.

Some survey respondents (26%) in both the Lephalale and Thabazimbi Local Municipalities warned that if local communities do not directly benefit, the Project could be prone to protests. The developing culture of violent protests may affect the Project directly or indirectly.

The key issues driving public contestations are:

- Unemployment (including protesting against bringing labour from outside the project area);
- Competition for job opportunities between locals and migrant job-seekers;
- Political interference and corruption allegations in employment and procurement processes;
- Utilisation of local suppliers and contractors;
- Community demanding ownership stake in projects; and
- Lack of service delivery (lack of water, electricity, roads).

Online media reports highlight various incidents in the respective municipalities, some of these are shown in Table 14 below as an illustration of the key issues that sparked community protests that have occurred in the past.

Table 14: Media Reports of Community Protests

Local Municipality	Year	Protest Group	Key Issues
Lephalale LM	March 2019	Progressive Youth Forum (a structure consisting of the ANC Youth League, Young Communist League and South African Students Congress)	<ul style="list-style-type: none"> That all companies doing business in Lephalale should be committed to radical economic transformation as outlined by President Jacob Zuma in his State of the Nation Address (SONA, 2017). 60% localisation of black suppliers that includes centralisation of SMME Empowerment; Non-local companies to enter into a joint venture with local companies; Job creation and skill audit at Exxaro, Matimba and Medupi Power Stations; Localisation of Lephalale Development Forum; Centralisation of recruitment by independent company that will be accountable to the Office of the Mayor and all investors. <p>Source: Mogolpos (Mabula, 2019)</p>
Lephalale LM	January 2019	Local community	<ul style="list-style-type: none"> Service delivery <p>The protest turned violent, a bus was torched and a police officer was seriously injured after police were pelted with rocks. 29 people were arrested.</p> <p>Source: The Review Online</p>
Thabazimbi LM	2018	Local community	<ul style="list-style-type: none"> Service delivery protest results in the burning of a truck and ambulance. <p>Source: The Times Live (Shange, 2018)</p>
Lephalale LM	2017	Shongoane village residents	<ul style="list-style-type: none"> Exclusion of locals in employment opportunities for infrastructure projects in their local communities <p>Source: (Mabula, 2017).</p>
Lephalale LM	October 2016	Lephalale Unemployment Forum	<ul style="list-style-type: none"> Appointment of Community Liaison Officer (CLO) position for the Roads Agency Limpopo roads project in the municipality. Claims that the Mayor reserves government infrastructure jobs for ANC members. <p>Mogolpos reported that the Mayor opened a case of defamation of character following these accusations which led to nine people getting arrested in August of 2019.</p> <p>Source: ENCA/Mogolpos (Mabula, 2019).</p>

Mitigation measures that have been previously employed included involvement of the local police, extensive public participation and negotiation as well as utilising the Traditional Authorities to broker agreements between the relevant stakeholders.

c) Local Community Cooperation

The desktop research found very few “recorded” incidents of violent protests in Thabazimbi LM. This is in stark contrast with that of Lephalale LM. The social and environmental impact assessment reports indicate that the local business community in Lephalale is divided. Aucamp (2019) reported that there are about seven business forums in Lephalale. Most of these operate independently from each other. There seems to be some political interference, as community members claim that the municipality controls business opportunities, and that people who are not politically connected struggle to get opportunities (Aucamp, 2019). The report further states that business in the area is slowing down, and there is a lot of uncertainty, as people wonder what will happen after the completion of Medupi Power Station. There are a number of proposed developments and the business community is waiting for these projects to commence.

Furthermore, the report states that the development boom in the area, and the presence of mines created high community expectations about contributions from companies with developments in the area, especially in Steenbokpan. It states that the relationship between the municipality and the communities, especially in Steenbokpan, is tense. The report claims that tension can be attributed to the mistrust between the communities and the municipality, especially about employment opportunities. The tension has resulted in volatile meetings and strikes. Industrial role players are also targeted with strikes about labour issues, which often turn violent. There is also some reported political tension, since Steenbokpan falls within Ward 3, which is under the Democratic Alliance whilst the municipality is governed by the African National Congress.

Lephalale is largely rural with a small urban centre of Overwacht (formerly, Ellisras). Ward 3 has a large informal settlement, Steenbokpan which is inhabited by ex-farm workers who were resettled there and unemployed job-seekers who arrived at the height of Medupi Power Station construction. The residents of Steenbokpan are largely ANC supporters. Ward 3 also has a number of commercial farmers who are largely DA supporters. Respondents interviewed suspect that these landowners may be uncooperative.

Issues of racism and xenophobia are pervasive in both local municipalities, displaying very weak social cohesion. People tend to come together on single issue protests and there is a deep mistrust between people and the local government officials. Community cooperation on the Project will be based on how people will directly benefit from the Project.

6.1.6 Anticipated Project Risks in Respect to the 2021 Local Government Elections

The majority (77%) of political party representatives were highly aware of the MCWAP-2 Project and despite reporting high levels of political unrest over the past 5 years, some respondents (23%) did not expect major disruptions during construction and similarly did not expect the upcoming 2021 elections to pose any risks. Approximately half (46%), did expect the Project to have unintended impacts. Examples of the unintended consequences provided included project delays and project cost overruns resulting from disruptions. It was noted that the Medupi Power Station construction project has set a precedent of what local communities can expect from government-led infrastructure projects vis-à-vis labour rates and working conditions.

Politicians are expected to have an important influence on the project. They can garner broad support for the Project but many of the respondents have raised concerns over possible political interference

on the Project. It is anticipated the politicians will seek to funnel the benefits arising from the Project to their constituencies and attempt to monopolise on business opportunities. Already the Project is being used in tacit campaigning efforts and the narrative being used by ANC councillors in Thabazimbi is that the Project is being brought by the National ANC-led government, ignoring that the coalition local government is also in support of the Project. The coalition government has the authority to direct and influence access to these opportunities; however, the main opposition party (ANC) controls the two affected wards. There is a possibility that the ANC may use its power to demand that only businesses and job-seekers from the affected wards should access work and business opportunities.

In Lephalale, the Mayor (ANC) is reported to be speaking publicly about the Project as if it is a project that is being brought by the local municipality. It is unlikely that the DA councillor, of ward 3 will have a major influence in recruitment given the influence of the Mayor and the role of the traditional authorities.

The MCWAP-2 is also likely to experience politically influenced fights over access to economic opportunities, jobs and construction sub-contracts. In particular, the EFF, whose political influence in the LLM is on the rise, are anticipated to create disruption, challenging the dominance and the influence of the ANC in the area. These are likely to occur irrespective of the 2021 local government elections but may be amplified because it is electioneering and promises made by politicians.

6.1.7 Stakeholder Recommendations

The respondents interviewed had a number of recommendations for the project team which they felt would mitigate against the potential negative impacts and perceived project risks as well as ensure that local communities have a real chance to benefit from the Project. These are as follows:

- **Communication and stakeholder engagement:** Ensure that there is transparent, consistent and extensive communication on the Project that is accessible to all stakeholders.

It is recommended that any misconceptions of the project design or implementation process be cleared up with consistent messaging about the Project using various channels. Some of the existing platforms of communication included the Mayor's outreach forum in Lephalale LM or the ward councillor's meetings on Mondays and Wednesdays in Thabazimbi LM. Elected officials warned against using local newspapers and that they should be made aware of any information before it goes public. This advice is incongruent to the recommendation provided to the project proponents, which is to avoid using only the official political channels to ensure transparency and gate-keeping. This incongruent advice comes from a total of 44 interviewees representing irrigation boards, parastatals, local and traditional authorities, pressure groups, and community entities.

Community stakeholders lobbied for wide scale engagement in the multi-facets of the projects. It was deemed vital that TCTA engage with stakeholders well in advance of the Project, such that the local community may prepare themselves to enable them to successfully compete for the available job and business opportunities. It is believed that by means of transparent and wide-scale engagement trust and a sense of community ownership will be built.

It is expected that a CLO will be appointed and given standard operating procedures to guard against being influenced by councillors.

- **Managing expectations:** It is important that the TCTA spell out and communicate the benefits of the Project throughout the project life cycle. They should specify the benefits stemming from the construction phase (local procurement and local employment) and the benefits stemming from the operational phase (water allocation, affected communities and stakeholders). Specifically, it was recommended that the project proponents be clear about the job opportunities for locals to manage expectations.
- **Skills development:** It was requested that pre-construction skills development programs for the youth as well as on-the-job formal and informal capacity building and training be conducted. Further, a community skills audit should be undertaken ahead of the Project
- **Enterprise development:** It was recommended the SMME's should be supported in developing the necessary capacity to support the project requirements in preparation for the construction phase of the Project.
- **Collaboration:** A collaborative approach for project implementation was continuously requested in the interviews with stakeholders. This included collaboration with stakeholder groups such as the LED department of the local municipalities, the youth, all political parties as well as engaging stakeholders such that they have a say in the design of certain processes such as recruitment.
- **Monitoring and Evaluation (M&E):** Aside from the appointment of the CLO, it was recommended that a monitoring committee be established as part of the construction phase to ensure the commitments are met and so that it can deal with any issues such as local labour and empowerment.
- **Recruitment:** Fair recruitment processes were seen as central to the local communities' ability to benefit from the MCWAP-2. Key elements of the recruitment process included transparency and fairness. Some councillors warned against using a raffle system to select unskilled labourers on the Project, however, this was the primary mechanism recommended by some community members who felt that political interference would taint the recruitment process. It was also noted that the TCTA should avoid using overly restrictive employment criteria, but no mention was made as to what this would be.
- **Procurement:** It was requested that a database of all business be created. Further, there is the expectation that tenders be split and 30% of business opportunities be ring-fenced for local businesses.

6.1.8 Socio-political Climate Analysis Recommendations

The findings have highlighted that politicians may create high expectations about the Project amongst communities, largely for attainment of their own political agendas. This will lead to confusion and conflict within communities. It is therefore recommended that plans be put in place for stakeholder engagement and communication because this will ensure the proper dissemination of information about the project at all times. Putting in place a single, official system of communication will provide the public with a mechanism for verifying rumours or hearsay information. Setting up information centres before start of construction in both affected local municipalities will further enable the dissemination of accurate Project information.

The study highlighted that recruitment and procurement processes need to be independent of political influence. It is recommended that the information centres also serve as independent recruitment and

labour desks. It is furthermore recommended that recruitment and procurement processes not be dependent on political support for implementation.

It is recommended that training be provided to MCWAP-2 staff, including sub-contractors, on how to avoid political interference and corruption, and how to promote cultural sensitivity and diversity.

It is recommended that an employee housing program be implemented for MCWAP-2 staff in order to help manage the influx of job-seekers. This will help to neutralise possible tensions between locals and outsiders competing for employment opportunities. Diversity training should be provided for all employees and they should be sensitised to the local norms and cultures.

The upcoming local government elections or any other elections taking place during the implementation of MCWAP-2 may cause instability in the local municipalities. It is recommended that major construction works be avoided during this period. Misinformation about the Project should be addressed immediately and targeted stakeholder engagement campaigns should be held to promote accurate information about the Project.

6.2 Community Development and Livelihoods Needs Assessment

6.2.1 Scope and Purpose

The purpose of the Community Development and Livelihoods Needs Assessment focus area is to determine the community development needs in the project area and the degree to which livelihoods may be disrupted.

The aims are as follows:

- Contribute towards socio-economic development in the broader communities as a way to implement the community development projects or CSI. Determine the initiatives needed and those that are possible to implement; and
- Determine the disruption to the livelihoods of the individuals that are directly impacted by the Project. These will include the farm dwellers whose households may be affected, the farmworkers whose jobs may be disrupted and landowners whose business or livelihood may be affected.

The output of this focus area is to provide an overview of community development/livelihood initiatives that can possibly be implemented/supported by the Project

The report will aid the community/livelihood development project selection process as it will combine verifiable data with on-the-ground experience from working on the Project.

a) Community Development Needs Assessment

The sustainable livelihoods development framework has been used to assess the community needs. The framework considers five capitals, namely, financial, human, manufactured, natural and social. For the benefit of this study, these capitals have been superimposed on the NDP's capability framework to assess the community needs. The various capabilities were subdivided into the sustainability framework as follows:

- Financial capital – employment capability;
- Human capital – nutrition (food security), education and skills, health care, recreation and leisure;

- Manufactured capital – housing, water, sanitation, electricity, and transport;
- Natural capital – clean environment; and
- Social capital – safety and security.

It is important to note that the factors that are characterised by the different capitals in the sustainable livelihood framework go beyond the capabilities identified in the NDP. However, these capabilities have been identified by the National Planning Commissions to create a virtuous cycle of community development.

i) Thabazimbi LM Community Development Needs

The top three community development needs are water, employment and skills development. The reasons for these are outlined below in the assessment of the five capitals. Important work is required in all areas to create a virtuous cycle of community development. However, a critical focus area for Thabazimbi is providing sufficient water for domestic, agricultural and industrial use, to unlock further local economic development. This can have a multiplier effect by creating further work opportunities, provided the local community have the skills to benefit from opportunities that are created.

(i) Financial Capital

In Thabazimbi the top three industries are mining, agriculture and wholesale and retail trade. The mining industry dominates, comprising 60% the local GDP; however, this sector has been in decline over the past few years as evidenced by the closure of Anglo American's iron ore mine. The agriculture sector has seen an increase contributing 10% of the GDP based on the 2011 census data; however, the growth of the sector is hampered by the availability of water due to drought-like conditions and poor access to water. Employment opportunities are limited as a result of the shrinking mining industry. The greatest concern amongst project respondents is the employment opportunities available. The limited skills level and high unemployment makes for fierce competition for low paying jobs. Access to funding for community development projects is limited and further hampered by the lack of capacity to apply for funding and poor financial management track record of donor funding. The consequences of the COVID19 pandemic, in particular the job losses across all industries, the economic recession and sluggish economic growth forecast suggest that the financial capital of Thabazimbi LM is below average.

(ii) Human Capital

The human capital includes factors that create a sense of wellbeing in people in the local municipality. The 2011 census data shows that the skills level is low with only 20% of adults over the age of 18 having completed high school in the project footprint of wards 1 and 9. Only 4% of the people in the project affected wards have higher education. Women are vulnerable to being overlooked in a male dominated industry which is exacerbated by skewed sex-ratio with more men than women in TLM. Despite low skills available amongst the youth, they are reported to have a sense of entitlement to gain employment regardless of whether or not they are

suited for the job. One respondent warned that these youths may start community unrest if they are not successful in securing employment on the Project. Food security was a concern for respondents because of the expected impact on commercial farming activities. The local community are encouraged to grow food gardens but there is not sufficient water. TLM boasts a great diversity which can be seen as a strength fostering understanding between people from different cultures. Nine percent of the population in TLM was reported to be foreign nationals in the 2011 census data. In terms of internal migration, 43% of people in Thabazimbi reported that they were born outside of Limpopo Province with many coming from the Eastern Cape and North West Provinces. This diversity also makes for a rich cultural heritage. The human capital is considered to be average in relation to human capital issues of Limpopo Province

(iii) Manufactured Capital

Thabazimbi has serious challenges in relation to water and housing. TLM water supply is reported to be unsustainable. Respondents note the reason for this being the Municipality's dependence on other institutions that they purchase water from to augment their water supply. More than 40% of the TLM did not have access to safe drinking water according to the 2016 Community Survey (StatsSA, 2018). People in burgeoning informal settlements have to queue for long hours to access safe drinking water. One respondent noted that water challenges were exacerbated by the COVID19 pandemic. Access to water has hampered the development of several projects as reported by respondents and for some projects, such as the development of Marapong community hall, and the Phaphama poultry farming cooperative in Lephalale and an abattoir project as well as the Agang brick-making cooperative in Thabazimbi, it has meant a cessation of the projects. The manufactured capital is considered to be below average.

(iv) Natural Capital

Thabazimbi owes its name to its rich mineral deposits, "meaning iron" mountain in English. It has been mined since the 1930's and despite the decline in the iron ore mineral deposits, it still has rich platinum deposits as part of the Western limb. Areas with rich mineral deposits tend to exhibit high biodiversity. Thabazimbi is home to the Marakele National Park, one of the flagship conservation areas in South Africa akin to the Kruger and Mapungubwe National Parks. The rich biodiversity gives rise to large scale game farming operations and a burgeoning tourism industry. The tourism industry is bolstered by the proximity to the Gauteng Province and neighbouring Botswana. It also has fertile soil and benefits from the Crocodile River (West) system. The area supports crop farming of maize, wheat, soya and cotton. It also benefits from favourable rainfall areas as most crops are rain-fed. However, some respondents have cited that drought conditions over the past few years have increased the need for irrigation. The environment is sensitive to disturbance and much of the economic activities are based on the natural assets of the TLM. The natural capital is considered to be good.

(v) Social Capital

Respondents reported that Thabazimbi is highly politicised. The politicization hampers project implementation and political meddling creates inequity as project benefits tend to be constituency based. The politicization also impacts the flow of information through the community, where political and social elite become gatekeepers. There is also a lack of transparency and the community no longer trusts politicians or project proponents. Respondents noted that the politicization can also lead to labour unrest and protest action. There is a lack of social cohesion, despite expected high tolerance levels when people live in diverse settings. Respondents noted racial tensions that still exist between people. There is little evidence on how the vulnerable in the community are adequately supported by CBOs and NGOs as they struggle to access funding to effectively deliver on their mandates. Further, the local municipality fails to meet the rising demands for municipal services, given the rapid increase in the population. Access and the availability of water is a major point of concern for many local residents. The social capital of TLM is considered to be poor.

ii) Lephale LM Community Development Needs

The main community development needs in Lephale are for employment, water availability and access, as well as business development opportunities. Lephale benefits from the presence of large-scale projects and growing industries to provide employment opportunities. A key concern is the impact of the Project on agricultural activities. As such, those who are interested in the sector hope to access land and water to develop community agricultural projects. Business development initiative can also be applied to CBO's and NGO's in the area. The various capitals of Lephale are outlined below, with strong foundation to building on, such as the natural and manufactured capitals. It is believed that interventions to improve employment, water access and business development will create a virtuous community development cycle.

(i) Financial Capital

The presence of the mining industry and Medupi in LLM means that there are more employment opportunities for locals. Despite the presence of the mining and energy sector (most notably Exxaro, Boikarabelo, Khumba Iron Ore, Rhino Andalusite, Kumbaya Resources and Eskom), agriculture is an important sector which contributed almost 40% to the local GDP. Land is seen as both natural and financial capital given its income generating potential. Greater access to land for agricultural projects has been identified by respondents as a community development need based on fears of disruptions to agricultural activities. Many have ambitions to develop small-scale crop and livestock farming but are hampered by poor water availability. The ability of local businesses to benefit may be limited as they may not meet the project requirements. The financial capital in Lephale LM is considered to be above the provincial average.

(ii) Human Capital

The presence of the Medupi Power Station and the mines has attracted many to the area. The community survey of 2016 shows a 75% increase in the population. Both skilled and unskilled labour are attracted to the area. As such, the skills profile shows that almost 30% of the residents in Lephalale have completed school. Further 16% are said to have higher education. A key concern is the transferability of skills. Many of the skills are sector specific, as such, if there are job losses in the agricultural sector, it is unlikely that these will be absorbed by the Project or by any of the other economic sectors. Interviewed respondents complained of a lack of recreational facilities other than taverns. This means that there are no venues or meeting places for the youth or any other groups to meet, organise and socialise. The number of taverns in the area is believed to contribute to social ills in the community. The majority of the people are Pedi people and the dominant languages are Sepedi and Setswana. The human capital of Lephalale is considered to be above the provincial average.

(iii) Manufactured Capital

The availability of water is not sufficient for livestock farming and land-dependent projects (e.g., agricultural) cannot be developed as there is not enough water. Despite water shortages for the agricultural sector, approximately 17% of residents reported that they did not have access to safe drinking water, this in comparison with approximately 24% at the district level and 46% in TLM. In terms of sanitation, the number of pit latrines was halved from 2007 to 2016 and the percentage of flush toilets have increased to 46%. Informal houses make up 21% of households; however, the average size of the household is 3 people. The manufactured capital is rated above the provincial average.

(iv) Natural Capital

Lephalale is heavily reliant on its natural capital, given the dependence on the agricultural sector. Access to alternative land for agriculture is limited and water resources are severely constrained. Availability of water in the Limpopo River system may not be sufficient to support all users. There is a concern that the water levels may drop as a result of the Project.

Respondents complained of air quality problems which they did not have before Medupi. Despite the ongoing air quality issues, Lephalale has high biodiversity and is in close proximity to the Limpopo River. The soil quality supports commercial farming in the area. It is hoped that the additional water that will become available as a result of the Project, may be accessible to residents so that they can access this water to engage in small-scale crop and livestock farming. The large mineral deposits can also benefit the local community if it is exploited responsibly. The natural capital of Lephalale is considered to be good.

(v) Social Capital

Large scale projects have attracted a large male population to Lephalale. The in-migration of job-seekers is set to continue with the MCWAP-2. The sex ratio is 126.5 males to 100 females. The competition for employment is high. It is believed that women are vulnerable to GBV as males may vent their frustration on women if they are unsuccessful in securing employment. Women are also vulnerable to be overlooked for employment opportunities in male dominated industries. There is a trust deficit of community in project proponents because of concerns that the Project will not meet expectations of water provision and employment opportunities. There is also a risk of protest action or strikes as the community may become more volatile ahead of the 2021 general elections. Politicization of opportunities also exist in Lephalale where political interference can cause delays and unfair access to benefits emanating from the Project. Access to information is limited as many project proponents work through political structures; as such transparency is important to ensure broad support for the Project. The presence of organised labour means that the community has access to collective bargaining. The social capital of Lephalale is rated average.

b) Landowner Livelihoods

The Assets & Infrastructure Baseline Study is underway. The section on livelihoods will be augmented once that baseline is completed.

i) Current Environment

Many landowners engage in game breeding, tourism and hunting for their livelihood. These activities are linked to the quiet, scenic and tranquil ambience and cleanliness of the current environment. Landowners note that their livelihoods may be negatively impacted by the Project. They are concerned that the breeding programs will suffer from the noise of construction activities, spreading of germs through human activities and negatively affect mating.

Some landowners have biosecurity programs for buffalo on their properties. The owners of Thaba Tholo and Buffelsvley properties are particularly concerned that their biosecurity programs may be compromised by the Project. Buffalo play a major role in the maintenance and transmission of foot-and-mouth disease (FMD) and corridor disease (CD) in South Africa, where approximately 80% of the total buffalo population are permanent carriers of one or both diseases.

ii) Landowner Concerns

Landowners emphasised that the Project should use well-constructed game fences to ensure that no game can escape from the properties. They note that the loss of game could result in multi-million Rand claims and could lead to tension. Loss of game may also lead to disruption in construction activities, where landowners may refuse access, citing safety concerns.

There is a concern that MCWAP-2 employees working close to and on game farms may use their cell phones to record the location of protected animals, especially rhinos, and leak this information to poachers.

Landowners engaged in hunting fear that they will lose their customers, particularly international hunting teams, with whom they have built longstanding relationships over time.

They are worried that the destruction of the natural environment will create an eyesore for tourism. The transformation from a bushveld environment to a construction environment will have a negative impact on tourism and thus livelihoods.

6.2.2 Existing Community Development Initiatives

Table 15 below shows the stakeholders' perceptions towards the types of projects that they were likely to support. Most stakeholders indicate that there is an acute need for skills development, especially women, in relation to mining activities.

Table 15: Existing Community Development Initiatives

Organisation	Project Support
LEPHALALE MUNICIPALITY	
Gameways (NPO)	<ul style="list-style-type: none"> • Training in conservation • Training in security especially in anti-poaching
Lephalale Environmental Justice Forum	Investing in infrastructure (stadium, community hall, community youth centre)
Lephalale Youth Development Agency (NPO)	<ul style="list-style-type: none"> • Paralegal advice programs for abused women and children • Health education initiative to reach rural communities about HIV/AIDS, TB • Women in mining program to encourage young women to partake in mining business opportunities
Liswika Foundation	<ul style="list-style-type: none"> • Distributing sanitary towels to young women • Propose giving vouchers to the value of R500 to fight hunger among orphans or needy families • Create a "collection of chronic medication drive" for the elderly
Waterberg Women's Advocacy group	<ul style="list-style-type: none"> • Aerobics to pull youth from taverns since there is no entertainment in the area • Safe house for abuse women, which can also be used as a resource and training centre
Sizamile Foundation	<ul style="list-style-type: none"> • Creating recreational facilities for kids • Skills transfer to youth • The inclusion of women in the economy and scarce skills jobs, especially for management
THABAZIMBI MUNICIPALITY	
Thabang Childrens Home	<ul style="list-style-type: none"> • Develop a skills development programme • The development of schools

Organisation	Project Support
Thabazimbi community-based organisation	<ul style="list-style-type: none"> • Old age homes • Schools for the disabled • Rehabilitation Centre
Bathaba Tshipi Cooperative	<ul style="list-style-type: none"> • Skills development program because a lot of people in Thabazimbi don't have skills • Youth development programs because a lot of youths in Thabazimbi think that mining is the only thing that they can do
Aganang Brick Making Cooperative	<ul style="list-style-type: none"> • Agricultural programmes for the local people • Skills development programmes to help the youth to acquire new skills
Godisanang Multipurpose Centre	<ul style="list-style-type: none"> • Youth development • Elderly programs and stimulation programs for disabled people
Thabelang Lesedi NPO	<ul style="list-style-type: none"> • Job creation in terms of agricultural activities • Enterprise development programs • Educational programs for learners

According to Shava, & Reckson (2016) community development projects such as women cooperatives have the potential to generate employment and alleviate poverty in the rural communities. These become ideal projects to place emphasis on.

The request for training was consistently voiced by respondents so that they may benefit from opportunities derived from the MCWAP-2. Skills development in general is aligned to all spheres of government planning as well as international targets such as the UN Sustainable Development Goals. Furthermore, local procurement and support for local businesses were also echoed by respondents as potential benefits they hoped to gain from the Project.

Marginalised groups such as women, people with disabilities (PwD), and local youth must be allowed to not only work on the Project but also benefit through skills development and business opportunities. Women are more likely to work in the informal economy (mostly in trade), or in low-paying industries, which excludes them from other benefits. This is exacerbated by women being excluded in collective bargaining process because, women in the more non-standard, low paid, low skilled jobs are largely unorganised.

Other initiatives supported by stakeholders are those associated with alleviating gender-based violence in the country. A stakeholder indicated that in some instances, with the arrival of mega projects in the area, there is a rise in Gender Based Violence (GBV).

Many stakeholders also indicated the importance of having to invest in education. There is the opportunity to invest in Early Childhood Development initiatives. The first five years of life are critical to a child's lifelong development. Research has shown that quality care and education during early childhood are beneficial to children's growth and development throughout their lives. Young children's earliest experience and environment set the stage for future development and success in school and life (UNICEF, 2018). Investing in effective ECD centres can go a long way in ensuring that learners are ready to enter grade 1.

The data from stakeholders suggests some lessons that can be learned for the Project from a community development perspective. There is significant potential in the project areas that needs to

be unlocked in order to foster rural economic development. The desired outcome must be considered with any type of community development programme.

It is important to note that the South African government adopted a developmental approach to enhance service delivery, promote rural economic development and integration, social interventions to uplift the living standards of the citizens through sustainable development.

In terms of sustainability, it is important that community development projects are viable for generations to come. Dependency on its funders must be guarded against to ensure that projects thrive even after the completion of the pipeline.

For a project to be sustainable, size is an important factor. It is imperative to implement projects that will be at full operational levels by the time the pipeline is completed. Also, the sustainability of community development projects needs skills transfer to young generations.

Projects need to be tailor-made based on the demographic aspects of the communities. Factors such as age, gender, and the level of education; some of these projects need to be youth-orientated while others should cater to more mature participants.

Employment for local unskilled workers occurs mainly during the construction phase of projects. This needs to be effectively communicated to the surrounding communities in order to manage expectations.

Communication is also a crucial and currently under-utilised element of recruitment, which, in practice, differs between projects and can involve municipalities and/or labour brokers, or may be done by the project team alone.

The presence of local leaders in development is a sign of positive transformation. Local leaders have an important role to ensure that their subordinates are living healthily, empowered, in harmony with each other, and committed to work. Local leaders can be stumbling blocks in the process of development. Community development projects such as women cooperatives have the potential to regenerate employment and alleviate poverty in rural communities (Shava, & Reckson, 2016).

Mtshizana (2011) laments over the increased rate at which development projects are failing and he attributed the causes to a high level of bureaucracy that does not promote entrepreneurship and skills development to citizens to actively participate in the local development that affects them. Furthermore, according to Mtshizana (2011) the lack of public participation in community development has been a challenge that needs to be addressed. Inadequate knowledge in Information and Communication Technology (ICT) needs to be addressed as a matter of urgency through educating the local people on the use of modern technology. These are all important factors that MCWAP-2 needs to take into consideration during the project implementation phase.

a) Lessons Learned from Mines and Social Development in the Area

According to the Sustainable Livelihoods Framework, education liberates people and allows them to be independent. Furthermore, if people are healthy, they can work and provide for their families. Infrastructure develops the community and thus contributes to the local economy. The issue of poor social infrastructure such as proper recreational and vocational schools to promote skills development among the youth and inadequate equipment is another challenge to implementing sound community development (Shava, & Reckson, 2016).

Stakeholders who currently operate in the Thabazimbi and Lephalale areas were also interviewed. These stakeholders were able to share not only their experiences but also the challenges in implementing community projects in the areas. Key stakeholders interviewed were:

- ArcelorMittal Mine;
- Eskom Medupi Power Station; and
- Provincial Department of Social Development.

In engaging with the community members, the stakeholders indicated that it is imperative for all relevant stakeholders to be taken seriously. The Project must ensure that everything they do is meaningful and they must engage extensively with stakeholders. These stakeholders include, but are not limited to the Local Municipalities, Thabazimbi Business Chamber, CBO's, NPO's and NGO's, schools and colleges, mines and other businesses and banks. Some stakeholders advised that the following procedure be followed when engaging communities for the establishment of community benefits:

- Obtain or develop a contact list of stakeholders;
- Provide stakeholders with information about the Project;
- Get the IDP of the relevant municipalities and understand it;
- Participate in local meetings;
- Engage with community forums and understand what people's needs are; and
- Align community benefit initiatives to the communities' needs and the municipal IDP.

A stakeholder noted that it is best for community members to come up with their own initiatives so they can fully embrace the initiatives and make them their own. Another stakeholder suggested that funders should have accountability agreements with organizations and that it should contain mitigation strategies to address non or poor performance of project goals. The funder can also work with Department of Social Development (DSD) so that they can monitor those initiatives.

The stakeholders further indicated that implementing big projects like the MCWAP-2 can be challenging. In South Africa, often where community development has not been successful, it is due to the scepticism and mistrust in government regarding its capacity for political change and diversity (Mtshizana, 2011).

The community development officers from DSD indicated that in most instances cooperatives often collapse due to the lack of market access and internal conflict amongst members.

It is argued that there is a high level of bureaucracy in Community Development Projects which leads to a high level of discouragement amongst community members who are meant to benefit from the project in the first place. There is a need for proper information dissemination when it comes to who can join a community project as well as the benefits associated with it and lastly there is often a shortage of skills and a high level of incompetence among the technical staff (Shava, & Reckson, 2016).

b) Types of Community Initiatives in Place

Stakeholders indicated that there is a variety of initiatives that they are currently engaging in. Table 16 below provides an overview of some of these initiatives that are currently being implemented by various stakeholders.

Table 16: Community-benefit Initiatives Implemented by Stakeholders

ArcelorMittal Mine	Eskom Medupi	Department of Social Development
<ul style="list-style-type: none"> • Projects that target youth and the elderly • A vegetable production project that is on hold and will resume in time • Upgrading or replacing leaking water pipes of community members • Kumba Iron Ore has retrenched 1,500 employees. The mine has provided portable skills training to 1,500 workers in order for them to sustain themselves beyond mine closure. They received training on the following skills: electrical, agricultural, welding, plumbing, tourism, etc. 	<ul style="list-style-type: none"> • Projects that target the vulnerable and the elderly through the following: <ul style="list-style-type: none"> ○ Construction of a community hall. ○ Women who cook for the elderly in the community ○ Refurbishment of the local clinic - putting in a ramp so that the elderly and disabled people can access the clinic 	<ul style="list-style-type: none"> • Sustainable livelihoods programmes • Funding and social work services for the elderly • Support to NGO's • Implementation of educational programs • Implementation of early childhood development programs • Support for drop-off and drop-in centres • Running feeding schemes • Running after school activities

Stakeholders were asked which community development initiatives they would support in the area. Table 17 below shows the focus areas of some stakeholders. These needs were formulated and understood based on the needs analysis and engagements that they (the stakeholders) conducted at a community level.

Table 17: Stakeholder Community Development Focus Areas

ArcelorMittal Mine	Eskom Medupi	Exxaro Mine
Education Health Infrastructure	Health Education Infrastructure	Education Health Agriculture Infrastructure

There are successful community development initiatives being implemented that were mentioned by the stakeholders. Examples include the Aganang Cooperative that produces bricks in Thabazimbi LM, while in Lephalale LM there is the Taufontein dairy that produces juices, yoghurts, milk and *maas*. This project is run by Black people and has been successfully operating for several years.

Table 18 below provides an overview of community initiatives as well as Corporate Social Investment (CSI) projects within the Waterberg District. This data was sourced from various company annual reports and websites. It shows the efforts of the CSI and community development departments.

Table 18: Community Development & CSI Projects in Waterberg DM

TYPE OF INITIATIVE	COMMUNITY PROJECT
Eskom Medupi	
Community Development	Eskom built 995 houses and purchased 321 to accommodate workforce to construct the power plant
	Donated R10 million towards upgrading electricity infrastructure
	Contractors villages were set up at R750 million accommodating semi-skilled workers and artisans
	Spent R2,9 million and R3,3 million on catering and laundry equipment
	Medupi invested R113,6 million on the upgrades of the road leading to the site
	Medupi and Exxaro equally funded R190 million towards the construction of the Kuipersbult Road and the expansion of the Nelson Mandela Road to ensure the safety of its employees, contractors, and community at large
Corporate Social Investment	Donated 10 mobile classes to the value of R2,803,926 to the Lephale FET college and to local schools to help with overcrowding
	Paid the salaries of 6 teachers to the value of R1,4 million over three years
	Funded the Whole School Development Training initiative in 31 primary schools and provided 10 ambassadors to support educators in 5 primary schools
	Refurbished and upgraded existing infrastructure in 2 schools to the value of R6.9 million
	Donated ten desktop computers and furniture to local schools to the value R372,890
	Sponsored spring school for matriculates and provided food for winter school to over 600 learners amounting to R84,352
	Donated R378,016 towards the refurbishment of a school that was damaged by storms
	Distributed 10,000 sanitary towels to 2,400 female learners in Lephale
Exxaro	
Corporate Social Investment	Community Empowerment: The Exxaro Foundation (EF) and Exxaro Chairman's Fund (ECF) serve as conduits for the provision of resources for the Exxaro Group's socio-economic development projects.

TYPE OF INITIATIVE	COMMUNITY PROJECT
	<p>MTB Academy: In 2011, three Exxaro teams participated in the Absa Cape Epic and raised R1.5 million for charity.</p> <p>Education Projects: The Exxaro People Development Initiative (EPDI) is an accountable body that governs and tracks all education and skills initiatives in areas where the organization has a footprint.</p> <p>Agriculture Projects: Agricultural development was identified as an opportunity for local communities to improve food security, alleviate poverty, and help create employment opportunities.</p> <p>Infrastructure Projects: Without proper infrastructures such as housing, community centres, and roads, no rural community can hope to start building a sustainable society.</p> <p>Health Projects: Due to socio-economic challenges, vulnerable communities are most at risk of food shortages, lack of access to energy, drinking water, and proper sanitation, and therefore are most likely to become ill. Exxaro partners with other businesses and the government to implement health awareness campaigns for primary health care.</p>
Boikarabelo Mine	
Community Development	Road construction: Marken via Bangalong, Mmaletswai, Ga-Mocheko to Mongalo to the value of R8 million
	Upgrading, diverting, resealing and preventative maintenance of D1675, D175 and D2286 provincial roads to the value of R89 million
	Construction of effluent treatment plant and pipeline (MBET) worth R250 million

6.2.3 Proposed Community Development Initiatives

Table 19 below proposes several potential initiatives that would foster and maintain the MCWAP- 2 social license to operate. These were developed by taking into consideration the assessed community development needs and the extensive information shared by the respondents in their interviews, including the advice provided by other corporates and institutions implementing community development projects. The list is not final. A community development feasibility assessment should be conducted before a project is selected. Additional project ideas may be added, and the ones listed below adjusted.

Table 19: Proposed Community Development Initiatives

Proposed Project	Expected Outcomes	Risks	Beneficiaries	Geographic Scope
<p>Sexual reproductive health and gender-based violence awareness programme</p> <p>Objective: to increase the awareness of GBV issues and sexual reproductive health issues in the local communities</p>	<ul style="list-style-type: none"> Increased awareness of potential GBV risks on young women and boys Improved adherence to contractors' codes of conduct Sensitisation of vulnerability of young adolescent girls and women 	<ul style="list-style-type: none"> Increased vulnerability of women to GBV Vulnerability of young girls and women to sexual & reproductive health risks Negative impact on community cohesion 	<ul style="list-style-type: none"> Youth Contract employees Women Young adolescent girls Young adolescent boys Key Populations³ 	Broader project area
<p>Project-specific skills training</p> <p>Objective: to train local community members on project specific skills that will be needed in advance of the Project. These skills are envisaged to be transferable so that they may be applied on other future projects in the area.</p>	<ul style="list-style-type: none"> Improved localised labour Transferable skills developed Improve existing skills base Develop human capabilities Reduced local unemployment levels. 	<ul style="list-style-type: none"> Skills developed create migration in search of work elsewhere Poor retention rates Mismatch between project skills needs and capability of local residents (i.e. locals do not meet minimum requirements) 	<ul style="list-style-type: none"> Youth Unemployed 	Broader project area

³ These are people who inject drugs, men who have sex with men, transgender persons, sex workers and prisoners. Key populations face much higher rates of HIV and AIDS than the general population and are most at risk for contracting HIV.

Proposed Project	Expected Outcomes	Risks	Beneficiaries	Geographic Scope
Food Garden and abattoir project revival Objective: to boost food security in the local municipality	<ul style="list-style-type: none"> Each project participant can grow their own food with the water made available Community plots made available to grow food Locally produced food used in supply chain to benefit project 	<ul style="list-style-type: none"> There is no water available immediately for the project Land is not available Theft of seedlings Vandalism No access to market for produced goods 	<ul style="list-style-type: none"> Women Youth 	Broader project area
Safe to work and home transport Objective: Provide training to local taxi operators through contract conditions to improve safety of public transport operators	<ul style="list-style-type: none"> Safer driving by transport operators Improved punctuality 	<ul style="list-style-type: none"> Mobilise against the project Unsafe transport for workers 	<ul style="list-style-type: none"> Contract employees 	Thabazimbi LM Lephalale LLM
Microfinance and business development Objective: to provide microfinance to local entrepreneurs to develop micro-enterprises and local entrepreneurship	<ul style="list-style-type: none"> Develop micro-enterprises and the township/rural economy Develop entrepreneurship culture Women more economically active in the area 	<ul style="list-style-type: none"> Default on repayments Poor project implementation Access to market hampered by logistics Businesses impacted by COVID19' 	<ul style="list-style-type: none"> Women Youth Unemployed 	Thabazimbi LM Lephalale LLM
Multi-purpose resource centre Objective: to provide a place for people to convene and a venue for community recreational activities	<ul style="list-style-type: none"> Flourishing of community clubs (e.g. Aerobic and fitness club) Meeting place for self-organisation Venue for stakeholder engagement Information centre on various activities 	<ul style="list-style-type: none"> Poorly managed with no clear ownership Vandalism Not used as intended 	<ul style="list-style-type: none"> Community members 	Broader project area
Anti-poaching Project Objective: to provide support to the game farming community in	<ul style="list-style-type: none"> Poaching in the area is reduced with additional project support 	<ul style="list-style-type: none"> Poaching increases as farmers have to retrench farmworkers 	<ul style="list-style-type: none"> Farmers Landowners 	Immediate project area

Proposed Project	Expected Outcomes	Risks	Beneficiaries	Geographic Scope
preserving the rich biodiversity and to alleviate safety and security issues	<ul style="list-style-type: none"> Game farming community support project Builds trust with key stakeholders 	<ul style="list-style-type: none"> Trust deficit develops if project fails 		
High School Entrepreneurship training Objective: provide entrepreneurship training to high school students, so that they may contribute to the local economy instead of becoming job-seekers	<ul style="list-style-type: none"> Local economy boosted Foster entrepreneurship mind-set Decrease in demand for employment from the MCWAP-2 project 	<ul style="list-style-type: none"> Poor retention rates 	<ul style="list-style-type: none"> High School Learners across TLM and LLM 	Thabazimbi LM Lephalale LLM
Teacher Training Objective: Provide teacher training for local schools to boost the quality of teaching and to provide additional resources and support for educators.	<ul style="list-style-type: none"> Teachers become better equipped Psychological support for teachers Improved educational outcomes 	<ul style="list-style-type: none"> Poor retention rates Need for a monitoring and evaluation framework 	<ul style="list-style-type: none"> Educators across TLM and LLM 	Thabazimbi LM Lephalale LLM
Municipal Capacity Building Objective: To provide training for the local municipal officials on the Project and water reticulation and maintenance	<ul style="list-style-type: none"> Communities benefit from improved water supply Routine maintenance to prevent water shortages Greater access to safe drinking water Improve social license to operate 	<ul style="list-style-type: none"> Ineffective supply of water to areas where it is most needed Poor infrastructure maintenance and water cuts SLTO negatively impacted if Project fails to deliver on water access expectations 	<ul style="list-style-type: none"> All communities Local businesses CBO/NGO Schools Clinics 	Thabazimbi LM Lephalale LLM

6.2.4 Stakeholder Recommendations

- **Training and job opportunities ring-fenced for locals:** It was suggested that an assessment of the jobs profile for the Project is required. Skill requirements and jobs for local communities should be identified and ring-fenced. On this basis a training programme should be instituted prior to the construction phase of the Project whereby locals participate with the intention of being employed on the Project once it commences. This is to ensure that the local communities will benefit and will be given preference to job opportunities.
- **Local municipality capacity building:** The local municipalities are already struggling to provide services based on the backlogs and lack of access that has been reported on. To ensure that the Project will benefit locals across the life-cycle of the Project, it would be important to support the local municipality in meeting their obligations to provide access to basic services. Furthermore, the added pressure of in-migration on the local municipalities' ability to deliver services and to keep up with the demand, warrants support from the Project to mitigate for the impacts associated with the in-migration of job-seekers. It is suggested that a municipal capacity building project be formulated in collaboration with the local municipalities to determine the areas where the MCWAP-2 can offer support. This will help the local municipalities achieve their mandates and will help to manage expectations as well as to take the pressure off the Project to be the 'rescuer' of TLM and LLM.
- **Access to information:** It was suggested that the Project provide information on the Project that is easily understandable using accessible language and the in vernacular languages of the local communities. This information should be provided directly by the project proponents and not only through official channels such as councillor meetings.
- **Stakeholder engagement:** Many stakeholders who were interviewed requested to be collaborated with instead of simply receiving information on the Project These stakeholders also offered assistance and support on various aspects of the project implementation. Stakeholders indicated that they can offer support to ensure the Project does not experience disruptions. Respondents further said that they can go into communities to engage them on behalf of the Project, especially youth who are always looking for employment. Other stakeholders shared that they can assist with ensuring safety along the pipeline route.

6.2.5 Community Development and Livelihood Needs Recommendations

The study revealed that the rise in unemployment is of notable concern for both Thabazimbi and Lephalale community members. Community-based organisations expressed a strong desire to be involved in community-benefit initiatives. It is recommended that a policy be developed on how community development/CSI programs will be developed and implemented, based on the inputs of respondents in the study. It is also recommended that municipalities receive training and capacity building on how to meet their service delivery mandates so that communities do not place all their hopes on external Projects like MCWAP-2 to meet all their unmet service delivery needs.

Community-based organisations highlighted community challenges pertaining to xenophobia, racism and other forms of discrimination in communities. It is recommended that community-based initiatives implemented by MCWAP-2 take these challenges into account and support efforts to address them.

The study showed that environmental conditions can negatively impact the biosecurity programs taking place on some properties. It is recommended that engagements with landowners be

undertaken to understand their requirements with regards to biosecurity. They should be actively involved in the development of plans to manage and monitor biosecurity issues.

It is furthermore recommended that a human rights and vulnerability risk assessment be undertaken to help inform the development of community benefits and the mitigation of livelihood impacts.

It is recommended that community benefit initiatives, employment opportunities and procurement opportunities be distributed in the context of the precedents set by industries/other mega projects. Where some of these precedents will not be followed, clear rationale should be provided to stakeholders in a transparent manner.

When it comes to cultural heritage sites, objects and finds, the contractor must implement a change find procedure that outlines what the contractor must do if they come across heritage objects. Staff must be trained in how to identify and deal with heritage finds. Where graves are located, the families to whom the remains belong must be located and the remains returned to them. These processes should be undertaken within the ambit of the Heritage Resources Act, 199 (Act 25 of 1999).

6.3 Disruptive Business Analysis

6.3.1 Scope and Purpose

The overall purpose is to develop an understanding of disruptive movements in South Africa's business community that sabotage construction projects and to develop profiles of existing business forums and community structures that operate in the project area.

The purpose was achieved through the following aims:

- Profiling the construction companies and business forums that are likely to demand work from the MCWAP-2 Project in a disruptive business forum-style approach;
- Understanding the types of businesses available in comparison to the types of businesses the Project needs;
- Developing a profile of existing business forums operating in the broader Project area – these are generally established by business communities from the area; and
- Developing a profile of the community structures operating in the broader Project area, in relevant fields / industries.

6.3.2 Business Forums and Community Structures

The business forums come in various forms with varying degrees of organisation. Some are legally instituted with clear membership and a constitution. Others have no legal status with a very disorganised leadership and unclear membership. For example, there are cases where several businesses would form a business forum and want to be recognised as a legitimate stakeholder group. The members of these forums tend to be a collective of business people who are loosely aligned but all interested in procurement opportunities on a specific project. They can be characterised as opportunistic, disorganised, and volatile.

Table 20 below provides a list of all the business forums that were interviewed as part of the study, however given the trends uncovered in the study, it is likely that new business forums will emerge in response to the MCWAP-2.

Table 20: Business Forums Interviewed about Disruptive Businesses Behaviour

Business Forum	Description
Thabazimbi LM	
Thabazimbi Business Chamber	Thabazimbi Business Chamber is an apolitical business organisation that accommodates all branches of organised business.
Northam Contractors Association	Association of civil construction companies from Northam Town whose interest is to lobby for tender opportunities for their members especially for construction projects happening in Northam Town.
Thabazimbi Business Unity	Thabazimbi Business Unity is an association of small to medium business in the fields of construction, supplies and service provision mostly targeting tender opportunities at mines and in government.
Waterberg Chamber of Business	The Waterberg Chamber of Business is a non-political business organisation which accommodates all ramifications of the corporate framework.
Waterberg NAFCOG	The National African Federated Chamber of Commerce and Industry (NAFCOG) is an independent and non-profit business support organisation primarily, but not exclusively, serving the black community.
Limpopo United Business Forum	Business organisations and Professional bodies that came together to form the LUBF to work together and have a single voice to talk to government.
Lephalale LM	
Lephalale Development Forum	The LDF was established as a neutral stakeholder forum to work towards an integrated development drive within the Lephalale municipal area, contributed to by all of the stakeholders. It established five working groups to address issues such as local economic development, infrastructure and housing needs, social needs and challenges, labour and skills development requirements, as well as environmental sustainability challenges.
African Business Council	The mission of the ABC is to be the premier advocacy platform for private sector cooperation and engagement at the continental level while strengthening economic and investment ties among the business communities of the continent.
Waterberg Chamber of Business	The Waterberg Chamber of Business is a non-political business organisation which accommodates all ramifications of the corporate framework.
Waterberg NAFCOG	The National African Federated Chamber of Commerce and Industry (NAFCOG) is an independent and non-profit business support organisation primarily, but not exclusively, serving the black community.
Limpopo United Business Forum	Business organisations and Professional bodies that came together to form the LUBF to work together and have a single voice to talk to government.
Lephalale Unemployment Forum	Identifies as a civic group.

Business Forum	Description
Lephalale Radical Economic Transformation Forum	Lephalale Radical Economic Transformation Forum is a business forum consisting of local SMMEs in Lephalale. The forum lobbies for tender opportunities in government, at the mines and at ESKOM power stations.

a) Business Forum Dynamics

Some of these business forums are closely aligned to political parties and are perceived to be successful in securing business opportunities based on their political affiliation. This has resulted in the formation of new business forums in the local municipalities who are not politically aligned. This creates tension between the business forums as accusations of political meddling by politicians means that the 'in-group' has a higher chance of success.

There is also competition between business forums. This is the case in Lephalale LM, where the Lephalale Unemployment Forum is not politically aligned, compared to the Lephalale Radical Economic Transformation (RET) Forum, which is politically aligned. They have an antagonistic relationship with each other as well as with the Waterberg NAFCOG, which is of the view that it is the only legitimate business forum in the local municipality. The Waterberg NAFCOG is part of the national body with clear membership and is an advocacy group for localisation and beneficiation amongst others.

The business forums in Thabazimbi are not all antagonistic. There are instances of political affiliation and again some of the business forums were established out of frustration that business opportunities on projects were reserved for those who were politically affiliated. For example, the South African Child and Youth Development Forum is closely aligned with the EFF and has been gaining more prominence and influence in the local municipality.

Some business forums have established a collaborative approach which is turf-based. For example, Thabazimbi Business Unity and Northam Contractors Association are working together on a locality basis. So, for any projects that are based in Northam, the Northam Contractors Association would get first preference for opportunities, but if they do not have the expertise needed for the project, they will refer the project to Thabazimbi Business Unity.

There have also been instances where business forums are formed but only a certain portion of the members of the business forum will be successful in securing business opportunities on projects. Alternatively, the representatives would negotiate at the expense of members for their own interests. This then creates tension between the business forum members. Such tension may result in a splinter group forming to become a disruptive force on projects.

The emerging characteristics of mushrooming business forums in the local municipalities is their legal status, membership and localisation. Most business forums are not legal entities and because their legal status is often questioned, some have registered as a non-profit company (NPC). In terms of membership, they claim to represent the local community but they often fail to produce a membership list when asked to and when they do, it is difficult to verify the lists. The localisation of business forums is effectively claiming turf which can create further tension between business forums or reduce tension where the areas of jurisdiction have been agreed on. There seems to be rural-urban zones that are emerging within the Lephalale Local Municipality as part of the turf delineation trend.

The dynamics between business forums do not occur in a vacuum and are deeply influenced by other stakeholders. The key stakeholders who may influence the dynamic of business forums as well as disruptive behaviour are outlined below.

b) Role of Key Stakeholders in the Creation of Disruptive Behaviour

i) Role of Politicians

The role of politicians in the local municipality is of paramount importance and in many ways, it is a driving force behind disruptive behaviour. The political climate shapes the power and influence of politicians and other stakeholders. The role of the local municipality, the governing political party and individual politicians need to be differentiated. The local municipalities have a mandate to support projects in the areas, especially if the project is brought by any sphere of government in terms of cooperative governance; as such it is expected that any project must use official channels and work closely with the local municipality through its structures including the local councillors who are elected officials. The governing party in the local area has deep influence in terms of decision making in the local municipality. The projects that are supported by the governing party are influenced by the policy directions of the parent body. Here is where a shift may be experienced between the Government's imperatives and that of the governing political party at the local level. Local councillors are also deeply influenced by the policy direction of the political party and party politics.

Being part of the governing structures of the local municipality offers politicians immense influence and power. It is alleged that those who enjoy patronage of a certain political party tend to be favoured for any opportunities on projects. Those business forums who are not politically affiliated struggle to get traction. Over time this has caused deep frustration as the same organisations and people would benefit from projects, resulting in the mushrooming of disruptive business forums.

Politicians in Lephalale LM have been accused of favouritism and corruption in procurement and recruitment processes. During the field research it was clear who was affiliated to political figures and who was not. Those who were, seemed only comfortable to engage, if a politician had sanctioned the interview. The business forums and other organisations who were not affiliated to a politician were at times scathing in their allegations against the ANC politicians,

In Thabazimbi LM, one of the primary reasons for the formation of coalition was to get the ANC out of power because of such alleged behaviour. The ANC still has significant power and influence as it is still the dominant party in terms of voter numbers and it is uncertain that the coalition government will still exist after the 2021 local government elections. These changes in government will likely have an impact on disruptive behaviour in relation to the Project, despite the assurance by politicians interviewed that the Project will not be impacted by the 2021 local government elections and electioneering activities.

ii) Role of the Community Liaison Officer (CLO)

The role of the CLO is central to the success of a project. The CLO forms a bridge between the project proponents and the local community and businesses. The role of the CLO becomes central to recruitment processes, negotiation of business contracts and all project communication. Politicians and business forums alike are eager to influence who becomes the CLO. They would recommend people to be the CLO for the project proponent to choose from. This creates an inherent bias on the part of the CLO because this person is from the community and cannot divorce themselves from the local socio-political climate.

There have been instances reported where the CLO on the project has been accused of fraudulent activity and when the project proponent tried to dismiss the person, protest action ensued. The CLO can also instigate protest action against the project and become a greater risk to the project once on the outside. There are cases where the CLO has been taken back and tolerated knowing that they are affiliated to a certain group. Further, when the local community does not agree with the appointment, for example, in the cases where it is possibly an outsider, again, disruptive business behaviour may come into play.

The appointment of the CLO is viewed as planting one of the political or business forum affiliates on the project to feed them with information about opportunities prior to the information becoming public.

The qualification tends to come secondary to the alignment or affiliation of the CLO candidates.

iii) Role of the Traditional Authorities

Traditional Authorities are reported to have a negligible impact on disruptive business behaviour in the local municipalities. Their influence is mainly on recruitment processes in the rural areas. Their primary concern is that the unemployed youth be afforded employment opportunities on projects in their jurisdiction because there are hardly any other economic opportunities that can create jobs for the youth.

iv) Role of Community Groups

Community groups take on many different forms such as faith-based organisations, residents associations, community-based organisations, burial societies and social clubs. Their role in creating disruptive behaviour tends to be minimal based on the field research conducted. Community members are often used (rent-a-crowd) to stage protest action to push a particular agenda. This does not necessarily mean that they do not have agency. Community groups can cause disruptions on specific issues they may have. However, community groups tend to be cooperative and supportive of projects which they stand to benefit from.

6.3.3 Disruptive Business Behaviour

The disruptive behaviour that has been identified in the interviews included work stoppages, blocking access points and roads, intimidation and threatening of project team members (including the contractors), and vandalism. At a surface level these behaviours seem like protest action that is seemingly normal for the South African context. There is also a tendency for protest action to become more violent.

It was reported that the underlying issues of the disruptive behaviour were:

- The perception of bias and fraud in the employment and procurement processes;
- Locals not benefitting as expected;
- Land disputes; and
- Demands for 30% of the procurement spend on a project.

Disruptive business is not simply protest action. It is rather instigating and using protest action to ensure that local businesses are awarded tenders regardless of whether they meet the project specifications of the work that is required. Many demand 30% of the project's procurement spend to be spent locally. The 30% is born out of 2017 regulations of the Preferential Procurement Policy Framework Act (Act 5 of 2000) which states that 30% of procurement spend of public infrastructure projects should be at the local level if feasible, based on the availability of the expertise required. How local is defined is often contested.

Politicians are alleged to instigate protest action behind the scene, whereby they will incite community members to disrupt meetings or create blockades if they do not directly benefit in the procurement processes. It is further alleged that politicians go as far as financing protest action by paying for transport, paying a wage for their efforts and buying community members food to stage a protest. Politicians would use this protest action to cajole project proponents to work through them and offer to quell the protest action as they know the disruptors and can negotiate on behalf of the project proponent.

Disruptive business behaviour also emerges when there is competition within and between the business forums, whereby the one group would offer to support the project proponent in exchange for cash to ensure that there is no more protest action on the project. This is tantamount to a protection racket giving credence to the notion of a construction mafia as they are not necessarily interested in doing the work, but simply want money.

Protest action on projects is used as a form of intimidation where project proponents are forced to accede to the terms of the business forums, such as dictating the cost of labour wages, who should be employed and who should get the tender. The dynamics of the socio-political environment in the two municipalities are in constant flux, which increases the difficulty of understanding the levers of power that operate. Any project will in itself play a role in the ever-changing socio-political landscape either by upholding power structures or creating new ones through its implementation.

6.3.4 Managing Disruptive Business Behaviour

a) Lessons Learned

The key lessons learned by various businesses and institutions operating in the two local municipalities are that the following are all factors that contribute to site disruptions: the

impact of fluctuating political context, the interpretation of legislation and policy instruments, the dire socio-economic conditions and environmental impacts associated with a project (SOE Site Disruptive Workshop on Business, 28-29 January 2020). The fluctuations in the political context refer to both inter-community politics and local governance systems. The two types of politics are inextricably linked, such that community tensions may form when there is a perception that people benefit based on political affiliation.

The 2021 local government elections were viewed as a very sensitive time for the Project as politicians will likely use the Project to garner votes from the electorate. The danger is that politicians raise expectations of the local communities in terms of the benefits that the Project could bring. For example, some respondents noted that on previous projects 30% of jobs were reserved for the local communities and that it is likely that this is the expectation of communities on projects on the scale of the MCWAP-2. It is therefore important to understand the information that is being disseminated about the Project by politicians. Further, it was advised that project proponents should avoid implementing projects in the run up or just after the local government elections. There is thus a need to plan for an evolving socio-political context. This suggests that a 'watching brief' would be needed for the socio-political context and adaptive project implementation plans to minimise the risk of disruptive behaviour.

The interpretation of certain legislative and policy instruments is said to have created a sense of entitlement from local communities as to how they can and should benefit from state-run infrastructure projects such as MCWAP-2. In particular, reference is made to the Preferential Procurement Policy Framework Act (5 of 2000) (PPPFA) Regulations, the Department of Trade and Industry (DTI) codes, as well as the Procurement Bill, amongst others. The PPPFA promotes localised content, wherein, a minimum of 30% of the value of a contract should be spent locally either through the procurement of locally manufactured goods or services through subcontracting to local designated groups. It was noted that the notion of "local" needs to be more clearly defined. Further, the 30% local content clause has led to criminals taking advantage, the so-called "construction mafia". It was noted that the National Treasury was uncompromising on its stance on subcontracting, where one main contractor is appointed which would subcontract to local qualifying businesses and not allowing local small businesses to contract directly with the state-owned entity. The main contractors tend to have their preferences of who they want to sub-contract to, which can lead to tension between local businesses and the contractors. A further issue was that the relationship between the main contractor, sub-contractors and employees has proved to be one of the key triggers of site disruptions in instances where the main contractor has not been fair and transparent with local communities (SOE Site Disruptive Workshop on Business, 28-29 January 2020).

Another factor contributing to disruptive business behaviour was thought to be the dire socio-economic context in many parts of the country. Issues such as high unemployment, limited business opportunities and low skills contribute to a sense of desperation by local communities to ensure that they are able to benefit from projects in their midst as opportunities are so very limited. It was noted that the tools to empower locals were limited. There are limited funds available for enterprise development programs such as business incubators. Most small businesses cannot access funding through banks or venture capitalists, nor do they have the technical skills or human capital to compete successfully

against the Engineering, Procurement and Construction (EPC) companies that would ordinarily tender for large scale projects. There is a sense of scepticism by some of the interviewees that locals stand to benefit very little from the MCWAP-2.

The environmental impact of projects is another factor believed to contribute to disruptive business behaviour (SOE Site Disruptive Workshop on Business, 28-29 January 2020). Some environmental issues noted included health and safety impacts, pollution and damage to existing infrastructure during project implementation. Relevant to MCWAP-2, environmental issues included water availability, pollution and environmental degradation. During the initial feasibility phase, some of the objections to the Project in the Environmental Impact Assessment (EIA) related to environmental issues.

Community involvement was cited as critical to the sustainability of any project. It was suggested that affected communities should be engaged as early as possible to ensure they are properly informed about the Project, manage expectations on the potential benefits and to avoid and deal with any misconceptions that affected communities may have. One respondent noted that it is important that communities are treated with due respect and their intelligence should not be underestimated. Past experiences have empowered communities with respect to their rights, becoming more organised and voicing their opinions.

Open, transparent, accessible and collaborative engagement approach is a critical element to help manage project risks in relation to disruptive business practises.

Understanding the security risks associated with a project was seen as an important part of the pre-planning for the project execution phase. It is believed that site disruptions have criminal elements to them beyond the apparent social issues punted as the underlying causes for the disruptions. The suggested pre-planning included, inter alia, social assessment studies as well as detailed project readiness plans. More detail on strategies to manage and mitigate site disruptions is outlined below.

b) Strategies for Managing Disruptive Behaviour

The respondents suggested four main strategies to avoid or mitigate against disruptive behaviour. These included extensive stakeholder engagement, ensuring that the communities benefit, understanding the project context and to attending to emergent socio-political issues that will arise occasionally during project implementation.

i) Stakeholder Engagement

Early and wide scale engagement would help address perceptions of exclusion and decrease the risk of political meddling in the Project. There seems to be conflicting views on how best to engage. Stakeholders who have political affiliations suggested that it was best to use the existing channels of engagement of the local municipality. This is in comparison to some community stakeholders who recommended that it would be best for the project proponents to remain independent in their engagement activities. Further, other stakeholders strongly recommended that the Project should steer clear of all politicians as they pose a risk to the Project because their influence can result in disruptive behaviour. There was however consensus that the engagement should be formalised with regular public meetings. It was also

suggested that the Project host regular progress meetings with other industry stakeholders such as Eskom and mining companies.

It was suggested that the Project inform the community of the potential benefits related to the Project and all opportunities to manage expectations. One of the pitfalls of relying on existing channels of engagement is that it creates information gatekeepers who have an influence on how the information is disseminated to the public. The perception of political meddling and bias in local communities, taints the use of official engagement channels of the two local municipalities. The engagement processes adopted must be seen as independent and inclusive of all stakeholders. Further, it was recommended that a project steering committee be set up with other industry players, parastatals and various Government departments to formally engage other businesses on the project.

Internal engagement between the project proponent, contractors, consultants and JV partners came highly recommended to prevent working in silos.

ii) Ensuring Community Benefits

The MCWAP-2 must guarantee that the local communities can benefit from the Project in the form of employment and procurement opportunities. Furthermore, it is critical that the recruitment and tender processes be transparent and deemed fair. Given the context of high unemployment in both municipalities, exacerbated by immigration of job-seekers from other parts of the country as well as foreign nationals, temporary employment on such projects is an important life-line for many. Some respondents warned that the Medupi Power Station construction set a precedent of what communities can expect from government infrastructure projects. These expectations include 30% of jobs and procurement opportunities are ring-fenced for locals; transport, meals, and training is provided by the project proponents. In addition, there is a rotation of workers, where there are several in-takes of workers to extend the benefits to as many people as possible. In addition, skills development initiatives are expected to be implemented prior to the commencement of the Project to ensure that locals meet the requirements for the jobs available. A lack of community benefits would be one of the main reasons for disruptive behaviour on projects.

iii) Understanding the Project Context

It was deemed crucial that TCTA has an understanding of the project context to help identify project risks and to develop risk mitigation plans. Further, it was advised by respondents that the Project should have emergency response plans in place to deal with unexpected disruptions given that the local bureaucratic processes and systems are slow.

iv) Attending to Emerging Socio-Political Issues

Changes in the local socio-political landscape has the potential to cause disruptions to projects in the two local municipalities. Warnings against political meddling in project processes have been echoed by many stakeholders. It was advised that the

project proponents address emerging issues promptly and these issues can only be uncovered by means of ongoing, regular engagements to monitor the socio-political climate. There was strong consensus that the Project should not indulge in local politics but rather to keep a watching brief on shifting local politics. A complaints and grievance mechanism for the Project could assist in attending to emergent socio-political issues.

v) **Developing a Security Management Plan**

It is thought to be critical to conduct an extensive security risk assessment and to develop a security management plan that would include a site disruption protocol that takes into account people's constitutional right to protest as well as international best practise, such as the Voluntary Principles on Security and Human Rights. As such, the need to adequately budget for project security issues is viewed as critical. The majority of respondents noted that there have been disruptions on similar large-scale projects since 2012. These disruptions pertain mostly to the lack of business and employment benefits by the local communities. These projects include, the Polokwane ring road construction, Kumba Iron Ore mining operations, the Olifants River Water Resources Development Project as well as MCWAP-1. It was advised that the security company hired should be independent and vetted.

c) **What other Projects/Businesses are doing to Manage Disruptive Behaviours**

The private and public sectors have had to deal with disruptive business behaviour in the past. Industry stakeholders shared how they are mitigating disruptions on their project utilising systems that they have put in place. A number of these examples from the public and private sector are highlighted below. There was a willingness by industry stakeholders to share what they have developed with the project proponent.

i) **Public Sector**

- **Social compact:** Eskom is in the process of finalising a social compact with Lephalale LM where there are clear development targets with key performance indicators developed which are continually monitored and periodically evaluated. Clear roles and responsibilities between the local municipality and ESKOM have been assigned and the social compact is to be signed by all parties.
- **Site disruption risk management strategy and plan:** Eskom, together with other industry stakeholders, have developed site-level disruption risk management strategies and plans. The other industry stakeholders include the Special Economic Zone (SEZ) in the Musina-Makhado Corridor.
- **Stakeholder engagement strategy:** As part of the site disruption risk management strategy, a stakeholder engagement strategy has also been developed with due consideration to the project life-cycle.
- **Information hubs:** ESKOM has set up information hubs in feeder communities, to provide information on various aspects of the relevant

projects. This is to improve access to information and to foster greater transparency on the proposed project plans and processes.

- **External and internal stability department:** Eskom has enhanced stakeholder engagement structures by establishment of an external and internal stability department in order to prevent stakeholder disruptions. This structure is aimed at ensuring coordination, rapid response to emerging issues and the execution of commitments made.
- **Supplier Development and Localisation (SDL) function:** In addition to the stability department noted above, Eskom's SDL function aims to address local development through leveraging its procurement spend. Local development objectives include BBBEE, job creation, supplier/enterprise development, skills development, localisation and subcontracting. Despite its best intentions, the SDL function has experienced internal, operational and capacity challenges.
- **Contractor Academy:** To deal with some of the underlying socio-economic issues Eskom has established a Contractor Academy which is aimed at assisting emerging entrepreneurs to grow their businesses within the Energy sector. The unintended consequence is that it raised expectations for securing contracts with Eskom once the course has been successfully completed.
- **Informal tendering:** Eskom has developed an informal tendering system for contracts less than R1 million for local enterprises. Despite the simplification of the tendering process, it was noted that business forums want to tender for work valued between R3 million and R5 million regardless of whether they meet the criteria or the technical skills for the work required. The informal tendering process is aimed at enabling small suppliers that do not have an Eskom vendor number to participate in and benefit from local to site level procurement. This is achieved within the parameters of Eskom's Procurement and Supply Chain Management Procedure.
- **Unbundling and splitting work packages:** SANRAL has noted that they have implemented a transformation policy and which is meant to unbundle opportunities in some areas. Further, they have split packages into localised packages to ensure that the work is being done by locals in their respective areas.
- **14 Point Plan to Engage Local Communities:** SANRAL has developed a 14-point plan to effectively engage communities on projects. This plan aims to get a fairer spread of the work across the various work grades for projects being implemented. They have also assisted local businesses to register on the Construction Industry Development Board, whose database has proved to be very useful (Confidential document, 2019).
- **Early warning system for site disruptions:** Transnet has established an early warning system used by its security personnel to mitigate the risks of site disruptions by local community groups.
- **Demarcated picketing area:** Taking cognisance of peoples' right to protest, Transnet has demarcated areas where people may stage a protest and where Transnet officials may receive a memorandum of demands from protestors.

- **Increased accountability:** Transnet has placed emphasis on increased accountability for security personnel, contractors and project directors in relation to site disruptions. They have developed KPIs for security personnel to ensure ownership of security measures taken and to meeting the expectation of internal project clients on security issues. Project directors are held accountable for ignoring advice on identified risks. Further, there are negative consequences for contractors who are implicated in site disruption efforts.
- **Coordinated risk management strategy:** Transnet has developed a coordinated risk management strategy. In general, Transnet seems to have put greater emphasis on security measures compared to more preventative measures such as community development initiatives. They do however appreciate the immense value of sustained stakeholder relations and strategic partnerships as a mitigating measure for site disruptions.
- **Corporate Social Investment (CSI):** TCTA and ESKOM have utilised CSI effectively as a strategy to improve relationships with the local communities and to address community development needs, such that it minimised the demands from communities from the projects. The examples of CSI projects came from a needs-based approach, through working with the local authorities, traditional authorities as well as other community-based organisations.

ii) Private Sector

The mining sector in Thabazimbi has developed an Integrated Mining Development and Sustainability framework to guide the sector in implementing development projects in specific areas. The mines do not have a specific disruption management strategy and plan. At present, when implementing projects of this scale and nature the intention is to ensure compliance with existing processes at the mines such as employment equity policies and a stakeholder engagement strategy; ensuring preferential employment of historically disadvantaged individuals (HDI) and broad engagement providing information to local communities on the respective projects. It is envisaged that these systems would help mitigate for the risk of disruptive behaviour. Furthermore, Thabazimbi mines continuously send their employees on professional training development programmes, to help them understand many different risks at the sites.

6.3.5 Stakeholder Recommendations and Support Offered

Aside from the more general recommendations stakeholders gave to mitigate for disruptive business behaviour, more specific recommendations are provided here which they feel would aid the implementation of the Project. Many of the stakeholders also offered several ways in which they can support the TCTA.

- **Project steering committee:** It was advised that a project steering committee be established which would accommodate key stakeholders and play an oversight role on the implementation of the Project.

- **Community Liaison Officer:** It seemed standard practise to have a CLO on the project who would form a bridge between the project proponents and community stakeholders.
- **Project risk management plans:** Stakeholders recommended that as part of trying to understand the dynamics of the local context, the TCTA should develop project risk management plans and putting measures in place to handle any potential disruptions. These would include a strategy to counter the influence of the political elite as well as mechanisms to address grievances such as labour and contractor grievances which may lead to disruptive behaviour and protest action.
- **Emergency response plan for unplanned or unexpected disruptions:** Given the volatility and the dynamics between stakeholders, it seems that business disruptive behaviours should be expected in some form. Stakeholders proposed that an emergency response plan be developed so that the project work can resume as quickly as possible.
- **Collaboration with local police:** It was advised that security companies work with police services to deal with disruptive behaviour. It was suggested that a joint operation centre be established to facilitate rapid response to violent disruptions.

The support offered by stakeholders interviewed included:

- **Technical support:** Some organisations offered technical support through sharing experiences and access to plans and policies that they have developed and are willing to share with the TCTA.
- **Stakeholder engagement support:** Many offered to assist with stakeholder engagement and communication initiatives of the Project, such as sharing information on the Project. The Mapela Traditional Council suggested that the TCTA provide a background information document so that they can share this information on the project benefits with the local communities that they represent. Furthermore, they also supported the need for early consultation and offered to assist in setting up public consultation meetings. Most of the businesses who were interviewed pledged their support to help disseminate information on behalf of the project proponents. Conflict management support was also offered by the Business Unity, should conflict over employment and procurement opportunities disrupt the Project.
- **Collaboration:** Some of the stakeholders offered to work collaboratively on issues of managing disruptive behaviour. For example, Transnet offered to initiate a collaborative planning exercise to avoid duplication. The Waterberg Chamber of Business and Waterberg NAFCOC offered to assist in developing procedures and policies before construction starts. They also noted that they were in the process of establishing an advisory council consisting of representatives from community structures, traditional authorities, the local municipalities, SANCO, trade unions and other organisations, which could be beneficial to TCTA.
- **Community level appointments:** Many of the respondents offered their assistance in recruitment processes. In particular, many organisations offered to help with the recruitment of the CLO. In Thabazimbi, it was advised that the CLO be appointed through the municipality.
- **Financial and procurement support:** The water boards noted that they could offer support if it were needed on the Project, in particular Hartebees Irrigation Board, MOKOLO Water User Association and AgriSA Lephallale. The mines in Thabazimbi said they would also offer support to sell the project cement should there be shortfall, preventing unnecessary project delays.

6.3.6 Disruptive Business Analysis Recommendations

Disruptive business behaviour is prevalent in both municipalities, although more so in Lephalale than Thabazimbi. This means that there is a high risk of project delays. Several recommendations are made in this regard. These follow below.

Training should be provided on the Voluntary Principles on Security and Human Rights for security personnel. Space should be demarcated for picketing and receiving memoranda from protesting groups. A security risk assessment and emergency response plans should be developed to deal with unforeseen site disruptions. Site disruption contingency plans should be developed. Tender-readiness training should be provided to local businesses. It is recommended that MCWAP-2 partner with Eskom's supplier development and localisation programme to secure opportunities for businesses from the project area. Regular engagements with the area business forums should be clearly articulated in the stakeholder and communication plan.

6.4 Security Profile

6.4.1 Scope and Purpose

The purpose of the study is to develop a baseline of the threats to the security of landowners and their property as well as to the Project (personnel and alignment infrastructure). Further, the objective is to determine mitigation measures to alleviate the safety and security threats uncovered.

The output of this study area is a report on security challenges. The report will categorise the various types of security challenges that can be anticipated and develop strategies for addressing these. It will identify which stakeholders and partners need to be mobilised in order to prevent security threats from being realised.

The key outcome of the study is to provide measures to safeguard (1) those in the immediate project as well as those in the broader project area and (2) to safeguard MCWAP-2 Project personnel and the area of construction.

The security profiling will:

- Review guidelines for addressing safety and security on construction projects;
- Provide a desktop overview of the status of security issues within the Waterberg District;
- Incorporate analysed results of interviews with research stakeholders;
- Provide recommendations for monitoring and preventing incidences that can compromise safety and security during construction;
- Assess the project security risk profile such that it provides ratings for security risk levels; and
- Provide a directory of safety and security agencies that can support such preventative measures.

6.4.2 Safety and Security on Construction Projects

Over the past decades, attention to occupational health and safety in the construction industry has increased (Geminiani & Smallwood, 2008). It is further argued that the construction industry does not have a good occupational health and safety record. The primary objective of any health and safety

legislation or regulation is the prevention of accidents and their consequences in terms of injury, disablement and fatality, and ill health within the work environment.

The primary legislation that impacts on construction health and safety in South Africa are the Occupational Health and Safety Act No. 85 of 1993 (OH&S Act) and the complementary Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 (COID Act), as well as the Mine Health and Safety Act, 1996 (Act No. 29 of 1996) as amended. The OH&S Act replaced the previous Machinery and Occupational Safety Act No. 6 of 1983, the Machinery and Occupational Safety Amendment Act No. 40 of 1989, the Machinery and Occupational Safety Amendment Act No. 97 of 1991. The promulgation thereof reflected the increased emphasis on health.

Some of the guidelines in the Act include:

- Management and supervision of construction work;
- Risk assessment for construction work;
- Appointing competent personnel; and
- Ensuring all machinery or resources allocated to the construction project are in good working condition.

According to the CIDB, health and safety education and training have an influence on construction health and safety. In order to achieve an improvement in construction health and safety, it is important that more attention is given to improving on-site supervision as well as education and training in health and safety to all employees on site (CIDB Report, 2009).

Construction safety is crucial in completing a successful project and should always take the safety of the public into account as much as the safety of construction workers. By using strict rules and enforcing compliance from construction workers and the public, injuries and fatalities can be avoided to a great extent.

There is legislature that protects the general public in and around constructions sites. There is the South African National Standard (SANS) wherein building elements such as scaffolding need to be erected to cause no harm.

In order to ensure the safety of the public, the public must be made aware of construction and the dangers. All sites should display clear signs which are visible to the public. Fencing off the construction site is vital to public safety, and keeping all work inside the perimeter is equally as important.

6.4.3 Existing Crime and Security Risks

Crime remains one of the main challenges which South Africans face daily. The threat of crime creates a climate of fear and anxiety in society at large and often prevents people from living freely. South Africans from all walks of life are dissatisfied with their personal safety and the level of crime in the country. Levels of crime continue to be of concern in South Africa despite the guarantees of the Constitution of South Africa (Act No. 108 of 1996) that everyone should be protected from all forms of violence, whether from public or private origin.

Total crimes reported for Limpopo in 2018/19 came to 116,768, with the 10 worst performing precincts accounting for 35.9% (41,970) of crimes reported. The worst area, Polokwane, accounted for 6.2% of total crimes reported in the province. The broader project area does not encompass any of these high crime rate areas. The crimes statistics provided above only pertain to reported crimes. Many other crimes go unreported and so the statistics must be analysed with this limitation in mind.

a) Crime statistics in Thabazimbi LM

The available data from crime statistics and newspaper reports show that there are all forms of crime in Thabazimbi LM. The nature of crime ranges from murder (including farm killings), theft, livestock theft, rape, hijacking, home robbery, political unrest, to many others. There are several reports related to farm murders. Farm killings dominated the available literature about crime in Thabazimbi because of the level of media attention this crime tends to attract, but it is unclear whether it is a dominant crime in the broader project area. Farmers have taken several safety measures to guard against crime, given their isolation (See section 6.4.4).

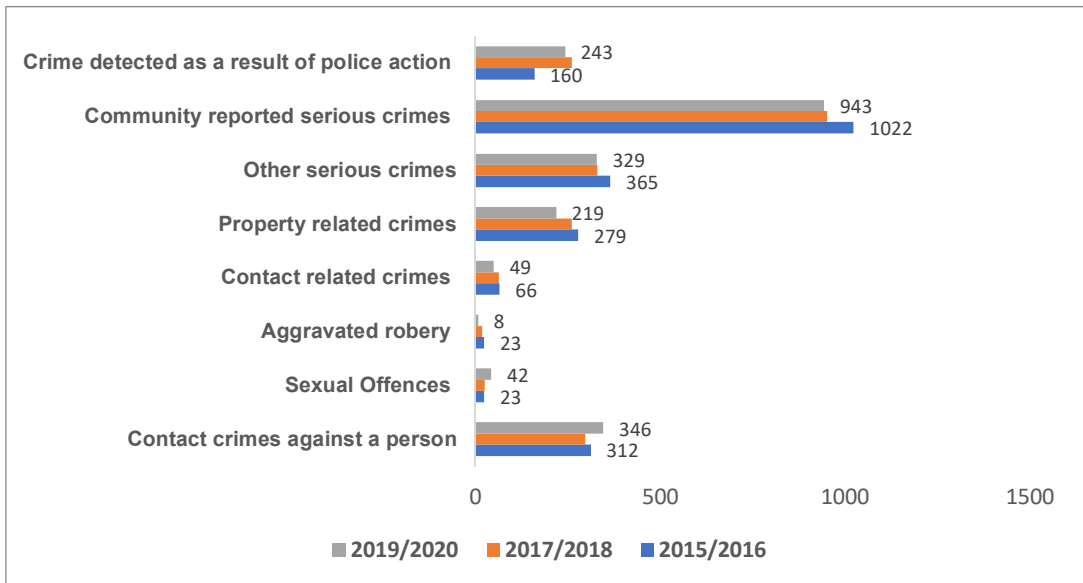


Figure 20: Crime Statistics in Thabazimbi LM

Source: South African Police Services, 2020

Figure 20 shows the crime statistics as collected at various police stations in the local municipality from the years 2015/2016 and 2019/2020. The total incidence of crime has increased by 23% from 2342 in 2015/2016 to 2879 in 2019/2020. Notably, contact crime and sexual offenses have increased over the same period. There has been a marked increase in the crime detected by police activity over the past five years, suggesting better policing and investigations. Crime reported by the public is still the dominant way in which crimes are reported.

The Community Survey (2016) provides statistics on the perception of safety of households when walking alone during the day and at night in Thabazimbi LM as shown in Figure 21 below. There is a marked difference in the perception of safety when walking alone during the day compared to the night. Almost 60% of households noted that they feel unsafe walking alone during the night, compared to almost 90% who said they felt safe walking alone during the day.

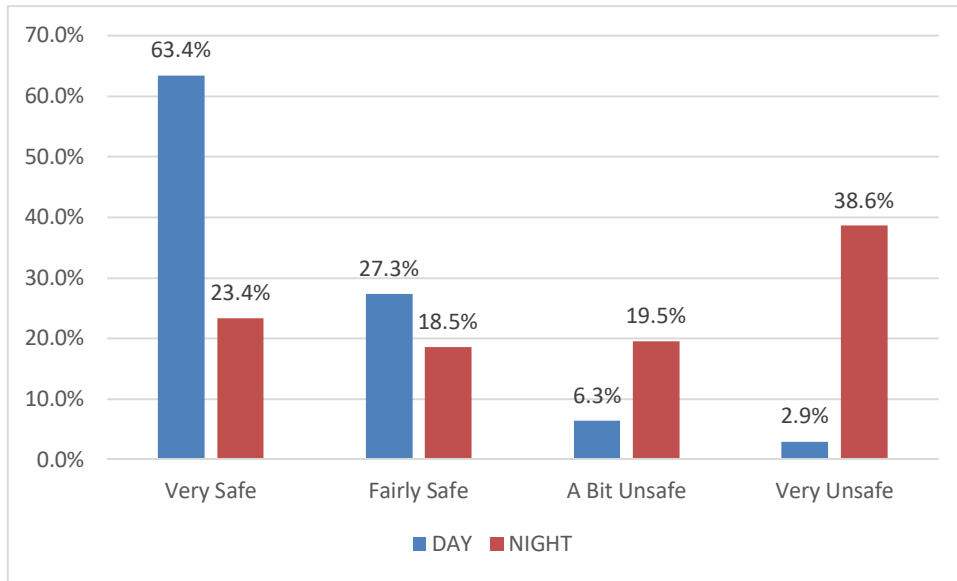


Figure 21: Households' perception of safety when walking alone in TLM (CS2016)

Source: Limpopo Community Survey (Stats SA, 2018)

b) Crime Statistics in Lephalale LM

Based on the crime statistics and media reports it is evident that crime remains one of the main challenges for the people in Lephalale LM. It is important to note that Lephalale is currently one of the fastest-growing towns in the country and has the potential to become the future hub of power generation in South Africa. The municipality is working hand in hand with several stakeholders to build a vibrant city situated at the heart of the Waterberg coalfields.

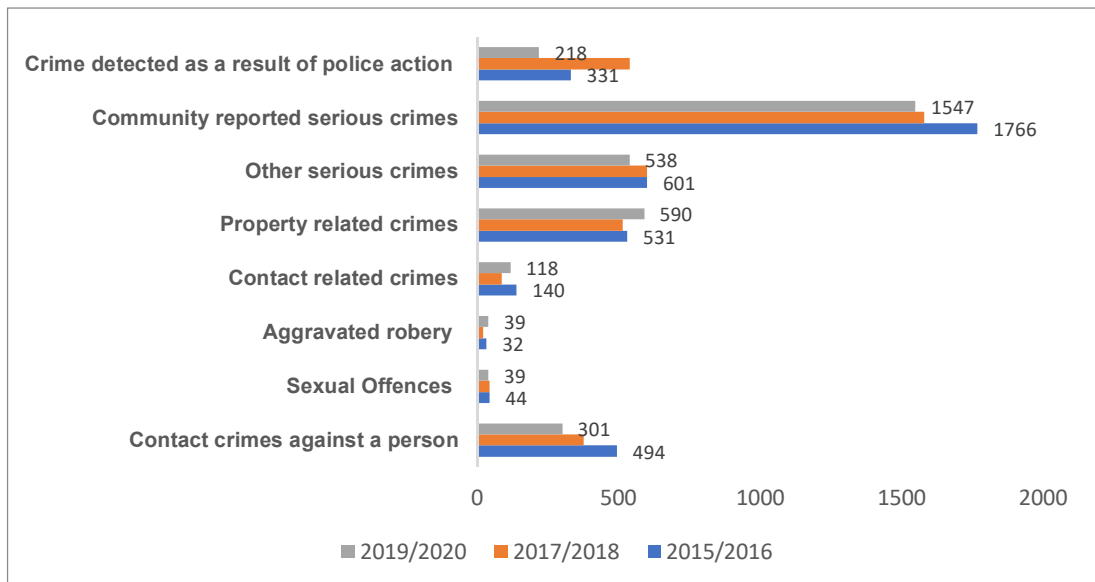


Figure 22: Crime statistics in Lephalale LM

Source: South African Police Services, 2020

Figure 22 shows the crime statistics as collected at various police stations in the local municipality from the years 2015/2016 and 2019/2020. The total incidence of crime has

decreased by 28% from 4721 in 2015/2016 to 3390 in 2019/2020. Serious crime reported by the public remains the dominant way in which crimes are reported. There is a decrease in the number of crimes detected as a result of police action. It is unclear whether this shows a genuine decrease in crime or an increase in policing activity. Over the past five years there has been a 49% decrease in contact crime, and 27% decrease in serious crime reported by the public. 'Property related crimes' are relatively significant in both local municipalities; this pertains to burglary at residential and non-residential premises, theft of motor vehicles and motorcycles, theft out of or from motor vehicles and stock theft.

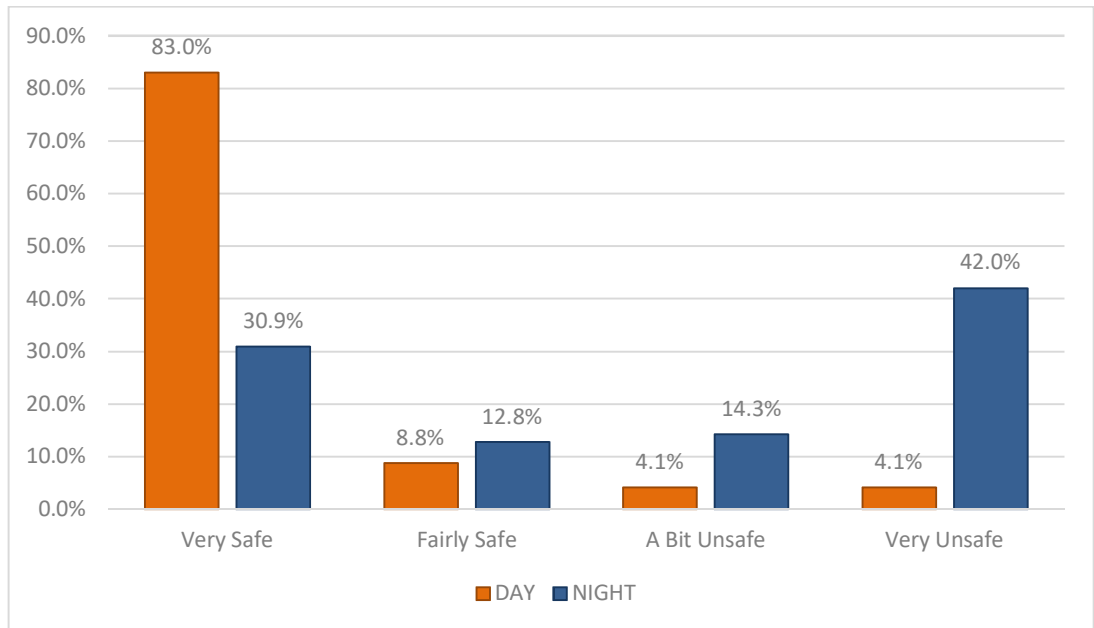


Figure 23: Households' Perception of Safety when Walking Alone in LLM (CS2016)

Source: Limpopo Community Survey (Stat SA, 2018)

Figure 23 shows the households' perception of safety for walking alone during the day and night. More than 90% of households in Lephalale LM feel that it is safe to walk alone during the day. However, more than 50% feel that it is unsafe to do the same at night.

The crime experienced in both local municipalities would be deemed average where 3.4 to 5.5 households had reported that they experienced crime in the last 12 months (Stats SA, 2018).

6.4.4 Existing Security Measures

Several security measures co-exist in both localities. These include, local police, community police forums, private security as well as farm watch and neighbourhood watch groups. Visible policing through conducting patrols, installation of surveillance cameras and public crime prevention drives such as "Kitima Tstotsi" are all employed to curb crime in the area. There is a general sense of peace with relatively low criminal activity in both TLM and LLM. However, some have deep concerns that this may change as a result of the Project should the appropriate security measures not be implemented. The sections below provide brief descriptions on the various security measures currently in operation in the two local municipalities.

a) Local Police

The towns of Thabazimbi and Lephalale and the surrounding areas rely on the South African Police Service (SAPS) to fight crime in their areas. There are Community Safety Forums (CSF) within each municipality. There may be other structures in place to champion the fight against crime; structures such as non-government organisations, faith-based organisations, youth formations, women formations, and the business sector. But there is no existing literature about such structures. In most instances cases related to security breaches are reported to SAPS.

The mission of the SAPS is to:

- Prevent and combat anything that may threaten the safety and security of any community;
- Investigate any crimes that threaten the safety and security of any community;
- Ensure offenders are brought to justice; and
- Participate in efforts to address the root causes of crime.

The SAPS offer a number of different services. These entail:

- Visible policing;
- Detective services;
- Stock theft and poaching;
- Crime intelligence; and
- Protection and security programmes.

SAPS work closely with other security stakeholders and local community to deal with criminal activities in the area. Visible policing is said to be an effective deterrent for criminal activities. SAPS also respond to public order policing in the case of civil unrest. As part of law enforcement, police officers have several responsibilities which entail enforcing laws, preventing crimes, responding to emergencies, and providing support services.

It is important that a station have enough capacity and resources in order to protect the community. Lephalale and Thabazimbi communities are also characterised as being predominantly rural and some farms/communities are far from urban centres.

In 2017 the Ministry of Police reported that the Lephalale Police Station complies with the minimum standards of sector policing; the Thabazimbi Police Station on the other hand did not due to a lack of resources. One of the main resources required by police officers are vehicles to conduct patrols and respond to emergencies as shown in Table 21 below.

Table 21: Patrol Vehicles required by SAPS in Thabazimbi and Lephalale in 2020

Specified police stations	Total number of vehicles available compared to the required number needed	
	Number of vehicles available	Number of vehicles required
Lephalale	12	8
Thabazimbi	22	25

SAPS Annual Report, 2019

The Rural Safety Plan is a tactical plan developed and implemented at police station level, designed to include all day-to-day activities and measures that are necessary to address rural safety issues in an integrated and coordinated manner, by involving all relevant stakeholder. Rural Safety Plans are in place in the provinces, as a tool to assist police stations to prevent crime in the rural and farming community, as part of the Rural Safety Strategy.

Of the 1 149 police stations across the country, 885 were classified as rural and rural-urban for the 2018/2019 financial year (SAPS Annual Report, 2019). Many of the rural police stations are in remote areas and are responsible for vast areas. Table 22 below shows a breakdown of police stations in Lephalale and Thabazimbi Local Municipalities.

Table 22: Police Stations in TLM and LLM

Lephalale Local Municipality	Thabazimbi Local Municipality
Police Station	Police Station
Hoopdal Satellite Police Station (Lephalale jurisdiction - situated about 40km between Lephalale and Thabazimbi)	Northam Satellite Police Station
Bulgerivier Satellite Police station (Lephalale jurisdiction - situated about 70km between Lephalale and Thabazimbi)	-

Sources: www.saps.gov.za, Pers Comm SAPS Station Commander of Bulgerivier and Hoopdal

The response time for SAPS is dependent on several factors. A major element affecting response times is the priority of the emergency. Other factors that weigh in on response times are the distance from the nearest unit, as well as whether emergency services are easily able to locate the areas. In most instances, distant rural areas and places with no street names or landmarks typically see slower response times.

b) Community Policing Forums

Community Policing Forums (CPFs) were established in terms of section 19(1) of the SAPS Act 68 of 1995 aimed at ensuring police accountability, transparency, and effectiveness in the community. It was aimed at bridging the gap between the police and the community at large and builds a harmonious relationship between them.

CPFs aim at ensuring police accountability, transparency, and effectiveness in the community; promoting cooperation between the service and the community in fulfilling the needs of the community regarding policing, and promoting communication between the police and the community.

They were established to maintain a partnership between the police and the communities, to jointly identify priorities and solve problems related to crime, disorder, fear, poor police-community relations, and service delivery.

The role of the police in CPF is to:

- Mobilise and organise the community to act against local crime together with the police;

- Act as a liaison between the community of the sector and the local police station; and
- Act as a crime prevention officer which involves being responsible for all plans and projects to address crime in the community.

On the other hand, the role of the community is to:

- Attend the community policing sub forum meetings;
- Discuss action plans with the sector commander to deal with crime in the community;
- Participate in neighbourhood initiatives to safeguard the area in which they live, work and play; as well as
- Take ownership of the community policing and support in the enforcement of the law.

Engaging the community in crime reduction and prevention allows a more targeted approach to local priorities by empowering the community to identify and respond to local concerns. It is the main function of the police to maintain order but initiatives are always going to be more effective if they come from grassroots, from the people who live in an area, and who have a stake in the place and their quality of life there.

CPF's are intended to assist the police to improve the delivery of police service to the community, strengthen the partnership between the community and their police, promote joint problem identification and problem-solving, ensure police accountability, and ensure consultation between the police and the community. CPF networks exist within the Thabazimbi and Lephalale areas. The existing security measures that the CPF's employ include road blocks, stop and search, surveillance cameras in all entrances and exits as well as public involvement through reporting and exposing criminal activities in the respective areas.

c) **Private Security**

Private security is highly utilised in the Lephalale and Thabazimbi area. There tends to be a greater reliance on private security in the farming areas which are remote and far from urban centres impacting the response time of SAPS. Table 23 provides an indication of the proliferation of the private security companies in the area.

Table 23: Private security companies in the Local Municipalities

Company	Description
Lephalale Local Municipality	
Monster Security	Monster Security is a registered and authorised Armed Response Company operating within the South African security market. Monster Security specialises in providing you and your business with the safety and security required in today's South African economic environment. Specialty services include but are not limited to - 24-hour Armed Response and Monitoring, Tactical Response Unit (TRU), VIP Escorts, Protection Service, Access Control Systems, Gate Automation Systems, Security Alarm Systems, CCTV Surveillance Systems, and more.

Company	Description
Blue Magnolia Security Service	Blue Magnolia Security Service is a black-owned company, owned and managed 100% by a dynamic woman who has long and practical experience in the training, business, and development sector, earned through management and facilitation of several development/business projects. Established in 2003, the company has established itself to render top quality service to its clients.
Molalatau Security	Insolvent and no longer operational.
Mulanga Security Guard & Training	Black female owned company.
Wild Africa Security	White owned security company.
XXX Security (Ratang Holdings)	XXX Security (read triple X) is a black male owned security company.
BYL Security (previously known as Veta Scola Security)	White owned security company. Also has a presence at some of the mines.
Grace and Guardian (Pty) Ltd	Grace and Guardian (Pty) Ltd is an established service provider focused on rendering comprehensive security solutions to the institutional, public, and private sectors.
Bidvest/Protea Coin	This is a leading provider of risk management services. They were founded in 1974 as a manned guarding company. They have evolved over the years with a formidable security track record and are now known as a security solutions provider of choice to many South African organisations.
Fidelity Services Group (includes Fidelity ADT)	This is Southern Africa's largest integrated security solutions provider and industry leader in protection innovation. It has over 60 years of industry expertise and experience. Fidelity Security Services is able to offer customers comprehensive guarding solutions in a vast range of small and large-scale industries.
Thabazimbi Local Municipality	
Ikatiseng Security Guards	White-owned security company.
Monster Security	See description above.
Dinare Security and Protection Services	White-owned security company. Has a presence at the mines.

These security companies and neighbourhood watch operations work closely with SAPS and as a result people are generally not very concerned about security issues related to the Project because there are security systems and service providers in place.

d) Landowner Security Measures

In addition to the security companies in the area, there has also been a proliferation of farm watch groups in the area. Table 24 below provides a brief description of the various farm

watch groups that operate in the rural areas of Thabazimbi and Lephalale Local Municipalities.

Table 24: Farm Watch Groups

Farm Watch Group	Description
Matlabas Forum	Established by Afri Forum to help combat crime in this area. It has a heavy presence between Brits up to Grobler's Bridge. They have installed more than 100 surveillance cameras in the area. These have proved to be very effective in the prevention of crime. Matlabas works very closely with the SAPS and conduct regular patrols which have been very successful in the arrest of poachers, wanted criminals and stolen vehicles. Most farm owners are affiliated to this forum. Although established with the purpose of ensuring the farmers' safety, both the Thabazimbi and Lephalale municipalities indirectly benefit from their operations.
Agri Lephalale	This is a group of farmers that have organised themselves into a union/farm watch group. Agri Lephalale is concerned with matters relating to safety and security.
Makoppa	Established to reinforce security in the area.
Rangers	Rangers also patrol the area on foot and in patrol vehicles. Their main purpose is to prevent poaching, especially rhino poaching. These can be seen wearing green work-suits in the area.

Landowners in the immediate project area have implemented their own security measures that have proven to be very effective. This includes the installation of surveillance cameras in the area. The Matlabas Forum, referred to above, is very active in the area and is responsible for installation of the surveillance cameras which are monitored at a central point. Landowners conduct regular patrols and road blocks where necessary. This farming community also makes use of a radio system where they check on one another every morning and evening. Rangers patrol the area and are active in tracking poachers.

6.4.5 Perceived Security Risks

There are mixed feelings amongst the respondents on the level of concern over crime and security risks brought on by the projects. For example, the Community Policing Forums (CPFs) who work in close collaboration with the local police in both municipalities, thought that the Project did not pose a great risk to people provided that the recruitment and procurement processes are perceived as fair as well as transparent and locals can benefit. This is compared to some landowners in the project footprint who have serious concerns about safety to themselves, game livestock and security of their property and assets. Many of their concerns were borne out of a lack of information on aspects of the project implementation such as the location of a contractor's site, the working hours etc. Once additional information was provided during interviews, some of their concerns were alleviated.

The underlying causes of crime were deemed to be poverty, unemployment, in-migration of jobseekers (both South Africans and foreign-nationals). Both local municipalities have experienced a sharp increase in unemployment in as a result of mine closures in Thabazimbi LM, the completion Medupi power station in Lephalale LM as well as the impact of the COVID-19 pandemic. It is expected that there will be a spike in crime as new people move to the area with the hope of finding jobs, but may resort to crime if they are not successful in securing employment or any form of income.

The types of crimes that are currently prevalent in the local municipalities include:

- Theft including cable theft, diesel, equipment (e.g. water pumps) and stock theft;
- Poaching;
- Burglaries;
- Assault;
- Farm murders; and
- Hijacking.

a) Safety and Security Risks to People

- **Assault:** Incidences of alcohol-induced assault are expected to increase as more people will have money to spend at local taverns in the area. The Police Commissioner, noted that these incidents usually occur at month-end when people are paid.
- **Gender-based violence:** Concerns around gender-based violence linked to the expected increase of job-seekers moving to the area in search of employment on the Project. These job-seekers are usually young males. Young men employed on the Project can pose a significant risk to women who may seek out so-called “blessers” who would fund their lifestyle resulting in financial dependency potentially putting them at greater risk to violent intimate partners. Young women and adolescent girls may also become vulnerable to transactional sex, unplanned pregnancies, single motherhood and sexually transmitted diseases.
- **Xenophobic attacks:** There is a concern that the Project will attract many foreign nationals, especially in Thabazimbi LM given that it is bordering Botswana. There is a general sense that the foreign nationals may contribute to the increase of crime in the area and may also outcompete locals in securing employment on the Project. This may lead to xenophobic attacks. In Thabazimbi there is a history of xenophobic attacks on foreign truck drivers.
- **Substance abuse:** The local police indicated the drug and substance abuse are not a very big issue currently but the risk for it to become a bigger problem remains, especially with the expected influx of outsiders. This could result in a growth in the illicit drug trade in the area.
- **Wild and dangerous animals:** Personnel working on site will likely be exposed to dangerous animals, such as snakes, scorpions, rhinos and leopards. Workers who will be most vulnerable are those doing bush clearing as they will be disturbing the area and exposing these animals. Snakes and spiders may seek shelter in-between water pipes and trenches or in the contractors’ camp; as such there needs to be vigilance regarding the risks posed by and to wild animals at all times.
- **Exposure to the elements:** The area is very hot with temperatures that can reach 40+ degrees. People may be at risk of heat stroke or dehydration. The medical fitness requirements would need to take these factors into account as some people would be more at risk depending on their underlying health issues. In Thabazimbi LM, the terrain of the project affected area is rocky which poses an additional environmental hazard.
- **Health impacts:** One of the concerns of implementation of a project of this scale is that it attracts a people from outside, increasing the risk of spreading communicable diseases. The COVID-19 pandemic has provided a clear illustration of the ease at which communicable diseases spread as people move around. The existing prevalence of HIV and TB are seen

as problematic, the impacts of the COVID-19 pandemic can have a significant impact on employees and the project implementation.

- **Transport safety risks:** The site is situated far from local communities. This would require the transport to and from the site on poor roads. In Lephalale, respondents noted that the roads are full of potholes and it is not adequately maintained by the local municipality. The increase of construction vehicles in the project areas will likely exacerbate the poor road conditions. Furthermore, with increased traffic, the risks of collisions with other vehicles and wildlife also increase, putting the lives of workers at risk.
- **Loitering:** There is a concern that job-seekers will come to the site in search of jobs as they may not be aware of the employment process. This could pose a security risk to the farmer, their employees as well as project personnel.
- **Intimidation and hostage situation:** One of the most cited risks of the Project is protest action by groups stemming from numerous possible grievances. A tactic that is used by protesting groups include holding project employees hostage until their demands are met or intimidation of contractors to hire them or to take on people that they have identified.

b) **Safety and Security Risks to Property**

- **Access control:** Access control is an important issue for farmers, in terms of personal security on their farms as well as the safety of their game and livestock which may result in animals escaping or being stolen. Given the nature of the Project, much of it will be far from urban centres and in the bush, as such, controlling access to the site itself may be a challenge as it may not be possible to fence off the area, leaving the project site vulnerable to equipment and diesel theft.
- **Theft:** Theft is a common crime in both municipalities. The respondents noted that project-related theft includes theft of diesel, petrol, water pumps, equipment, stock theft as well as burglaries. Neighbouring farmers seemed nervous about the Project because they feel it won't always be possible to get people to stay on the project site; as such they feel their property is also at risk to criminal elements.
- **Organised Crime:** It is feared that with influx of people to the area, so crime will follow. Respondents are concerned that there will be an increase in the number of serious crimes in the area and the mushrooming of organised crime which will give rise to various crime syndicates such as poaching, robberies, farm murders and trade in illicit drugs.
- **Vandalism/sabotage:** The risk of civil unrest also carries the risk of vandalism and damage to property. A trend of increasing violence in protest action has been seen over the past few years. Damage to property can affect anyone where protest action may result in other businesses being affected. Vandalism and sabotage are not only limited to the project implementation phase, but remains relevant throughout the project life-cycle, especially if the Project fails to meet the expected benefits such as piped water to impoverished communities or the energy sector being prioritised over other sectors such as tourism and agriculture.
- **Veld fires:** The area is prone to fires and lightning. A fire in the project area could have devastating consequences for farmers' property, livestock, game and wild animals. Farmers impressed upon the need to ensure there are fire safety measures in place, such as no open fires, disposal of cigarettes and having a fire response plan in place. It was noted that veld fire-fighting is different from ordinary fire-fighting.

- **Chemical spills:** It may be necessary to store hazardous chemicals on site. A chemical spill was also seen to be a fire risk, especially those that are classified as volatile organic compounds. It was recommended that there should be on-site spill kits and proper training of employees.

c) **Safety and Security Risks to the Project**

- **Bribery and corruption:** Stakeholder interviewed feared that there is a good chance that there will be bribery and corruption in the project's recruitment and procurement processes, which will limit the benefit to locals. It was reported that things such as bribing the local councillor for fake residence letters was experienced on previous projects and it is likely to occur again. Perceived bribery and corruption may lead to civil unrest.
- **Conflict of interest:** There may likely be a conflict of interest with key individuals on the project such as the CLO or other individuals who may form part of a project steering committee, creating a bias towards job-seekers and local business people bidding on the Project. This may impact the legitimacy of project processes, ultimately resulting in protest action on the Project.
- **Collusion/ anti-competitive behaviour:** One of the behaviours of disruptive businesses is said to be collusion and price-fixing. It is reported that sometimes local businesses would collude on pricing, where they all dramatically inflate prices, so that the project will always be paying prices in excess of market rates.
- **Civil/labour unrest and project stoppages:** Given the changing and frail socio-political context, civil/labour unrest and project stoppages are consistently cited as possibility. Key underlying issues to mitigate for and prevent civil unrest include political interference, corruption and unfair recruitment and procurement processes. Agreement of labour rates and sub-contractor labour relations are seen as critical in mitigating for labour unrest and strike action.
- **Liability:** A clear understanding of the project liability is important. For example, if an employee is hurt on site, or there is escalation of force in response to civil unrest, the project must operate within clear guideline to minimise its legal liability and reputational risks.
- **Leakage of sensitive project information:** Information management is an important aspect of the security risk profile. This includes digital information (IT management) and project collateral and branding which could be used in fraudulent activities. Further, any communication on the project should be vetted by the project management to effectively manage stakeholder expectations.
- **Security company:** The security company contracted to the project can pose a risk to the project if they are not accredited by the Private Security Industry Regulatory Authority (PSIRA) or have a good track history with public order policing amongst other security issues. This is in relation to human rights risk and the requirements by any state entities to protect and respect human rights. As such, issues related to the escalation of force become important to the security risk profile of the project.
- **Illegal migrants:** It is feared that the project will attract illegal migrants to the area from neighbouring countries.
- **Political interference:** Many respondents feel that political interference is very risky for the project given past experiences on similar projects in the area. It is said that politicians over-

promise and under-deliver, increasing expectations of local community. Local communities seem to have a long history of broken promises and unmet expectations, where some feel like the project is unlikely to benefit local people. The past experiences of the local communities creates a very volatile and unpredictable operating context for the project.

- **Biosecurity:** There are known biosecurity programmes on two of the impacted properties (Thabo Tholo and Buffelsvley). Biosecurity entails the breeding of clean game (buffalo in particular) that are free of diseases. The environment of these animals is highly sensitive. Their environment can however become contaminated through interaction with people. For e.g. a vehicle driving to a biosecurity area may carry dung from another animal on another property on its tyres which could contaminate the area and the animals that are part of the biosecurity programme. The monetary value of clean buffalo is significantly higher than ordinary buffalo.

6.4.6 Stakeholder Recommendations

Stakeholders provided several recommendations embedded in their responses on security issues in the project affected area, the recommendations are as follows:

- Finger printing all employees (including foreign nationals) to create a database.
- All employees are to be vetted (police clearance checks).
- Limited use of cell phones within the servitude.
- Erect a partition along the servitude where there may be visual exposure to landowner property or game (for privacy purposes as well).
- Colour coding diesel and petrol for ease of retrieval if stolen.
- Create serial numbers for equipment for ease of retrieval if stolen.
- Establish and maintain an asset register.
- Secure pump stations and pump houses (build a structure around the pump station that can be locked).
- Have a chemical spill kit on site.
- Develop a veld fire-fighting response plan and veld fire-fighting training.
- Ensure that employees wear the correct personal protective equipment (PPE) at all time to mitigate for the risk of snake and spider bites as well as exposure to the elements (heat and lightning). Anti-venom should be kept on site in case of snake bites.
- Ensure that contractors pay employees on time and comparative wages to mitigate for labour unrest.
- Ensure that there is security on site at all times and employ a reputable security company that is PSIRA accredited which also has a good working relationship with SAPS. It is also important that the security company search all employees to mitigate for theft by workers.
- Landowners have urged very strongly that the Project should incorporate the landowners' security systems, equipment and staff that they already have in place.
- Servitude fences should be high enough to prevent wild and dangerous animals from climbing over into the servitude or to prevent game from escaping.
- The security measures that the MCWAP-2 puts in place should complement the security efforts that the farming community already has in place.

- The project should provide safe working conditions by providing PPE, transport, accommodation and on-site security.
- Landowners would like no cell phones allowed on site for the following reasons:
 - a) To prevent workers from sharing the locations of rhinos sightings with poachers. This is mainly applicable in situations where the owner's property is within close proximity to the servitude.
 - b) To prevent workers from taking pictures of valuable assets so that they can return to certain properties after the Project has concluded to steal from landowners. They fear that workers will over time gather enough knowledge of what is on the farms to return and steal.
- Avoid political interference at all costs. Respondents recommended that TCTA should take responsibility for all information and communication on the project as well as to take all the credit for the project.
- Hire locally as far as possible.
- Foster a sense of ownership for the project. It is believed that if communities have this sense of ownership, they will protect the project assets and infrastructure.
- Develop a safety and security management plan.

6.4.7 Security Profile Recommendations

The implementation of megaprojects generally result in an increase in crime levels and other social ills due to the influx of workers and job-seekers. Social ills are also associated with access to money after staff are paid, gender dynamics, and co-existence of multiple nationalities. Xenophobic attacks also rise and human rights violations are often triggered. Several recommendations are made in this regard, as elaborated on below:

Community benefit organisations should be identified that work towards reducing social ills. Partnerships should be built with these organisations to support their efforts by providing support and resources.

Existing community-led initiatives should be supported. The study made reference to some initiatives that are already underway, particularly initiatives by landowners.

A security risk assessment and emergency response plan should be developed and implemented. This should be supported by a security management plan. The plan should specify the security requirements pertaining to the project infrastructure, plant and landowner properties. The security management plan should include game on relevant farm properties, project infrastructure, project personnel, especially those in position of influence such as Project Managers, Chief Resident Engineers, Social and Environmental Managers from the Client, Engineer, and Contractor. Partnerships should be formed with SAPS, CPFs, farm watch groups and security companies in the area for rapid responses to and prevention of security incidents.

Prolonged environmental exposure could pose a serious health risk to on-site workers. The appropriate health and safety plans should be put in place. These should include adequate PPE to protect workers from dangerous animals, harsh elements and COVID-19. It should also include training on working in extreme weather conditions (heat, thunder storms, rain, flooding).

The risk of veld fires in the project area is heightened by the presence of Project staff. It is recommended that staff be trained in fire-fighting methods. The fire-fighting skills of landowners and their staff should be utilised when it comes to combatting veld fires. A veld fire-fighting response plan should be developed that is within the parameters of the existing fire-fighting plans that landowners currently use.

The Construction Environmental Management Programme (CEMP) should also make provision for fire control.

6.5 MCWAP-2 Labour and Business Registrations

6.5.1 Scope and Purpose

The Business and Labour registrations aimed to understand the types of businesses and labour skills that community members have. The contractor will compare this information to the types of businesses and labour skills the Project needs during construction and identify the gaps. The types of skills available will feed into the Socio-economic Development (SED) Plan.

This section provides a summary of the findings of the Business and Labour registrations.

6.5.2 MCWAP-2 Labour Registration

This section describes the key results of the labour registration undertaken amongst the communities of Lephalale LM and Thabazimbi LM. A total of 5 990 individuals completed the survey.

a) Age Groups

The populations of both Local Municipalities are youthful, with more than half falling in the age range of 20 to 34 years.

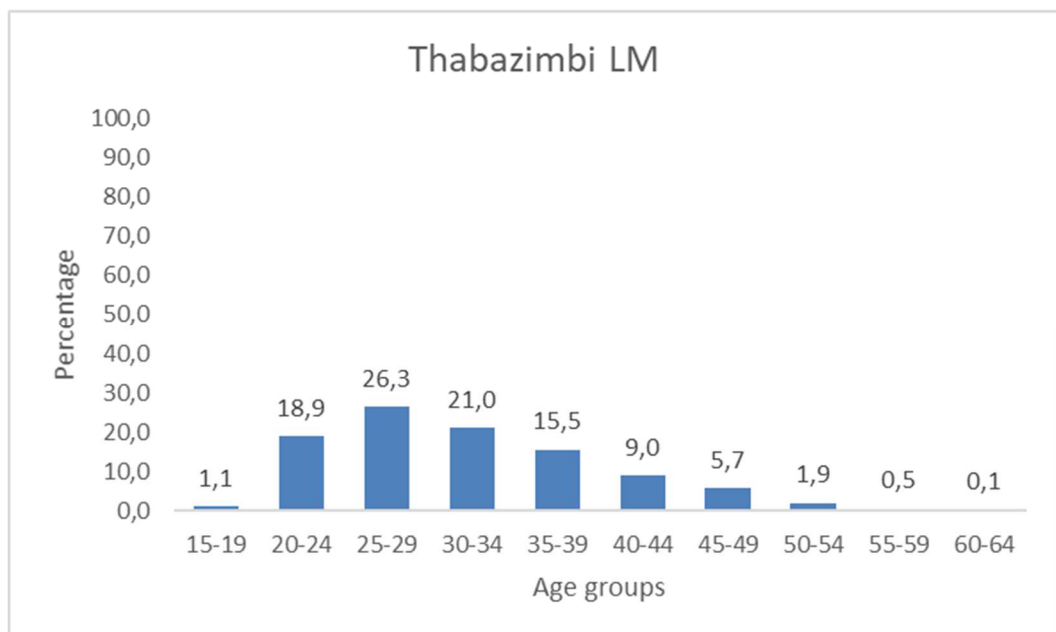


Figure 24: Age groups of Thabazimbi survey respondents

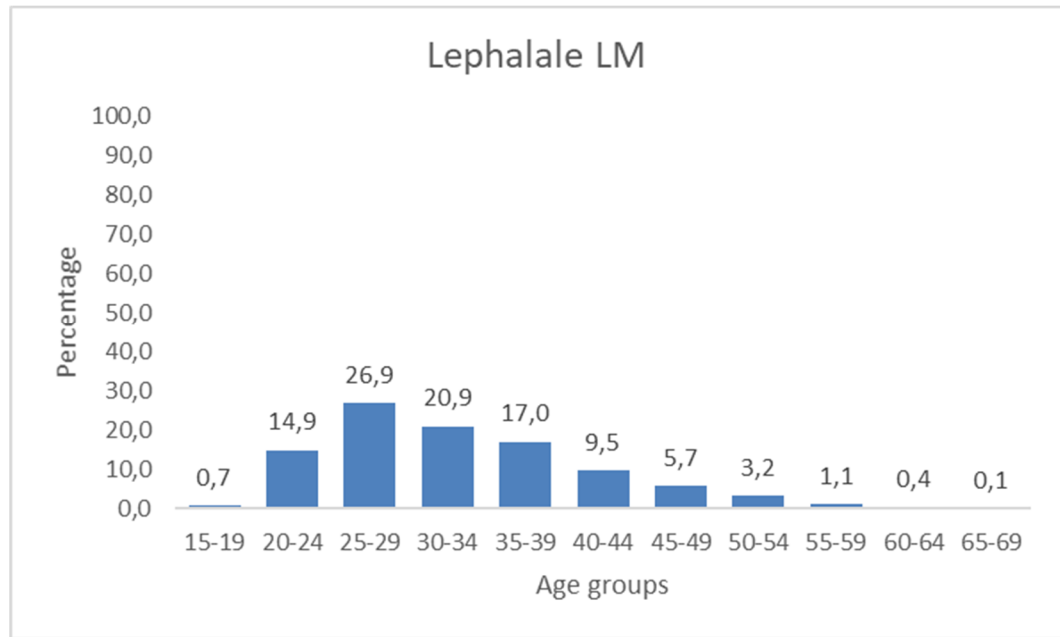


Figure 25: Age Groups of Lephalale Survey Respondents

b) Education

More than half the survey respondents of both Municipalities did not complete high school. Approximately one-third has completed matric. Lephalale displays slightly higher levels of education than Thabazimbi in that nearly 6% more Lephalale adults have matric and 1.4% more have a post-matric education.

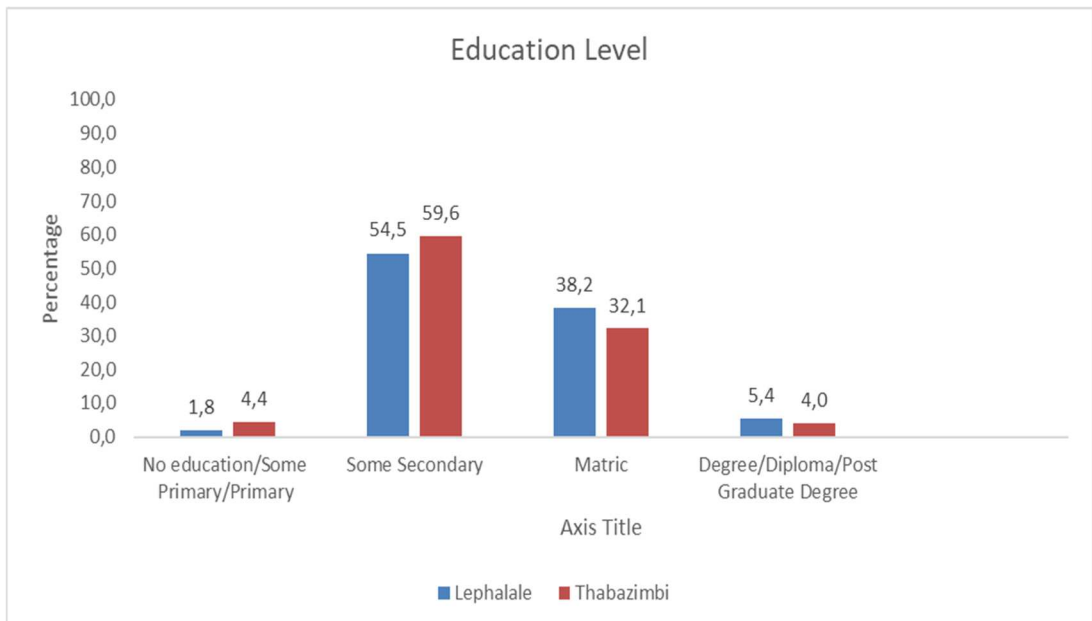


Figure 26: Education Levels

c) Sex

Male respondents in Lephalale LM are significantly more than their female counterparts. The opposite is reflected in Thabazimbi where more females participated in the survey than males.

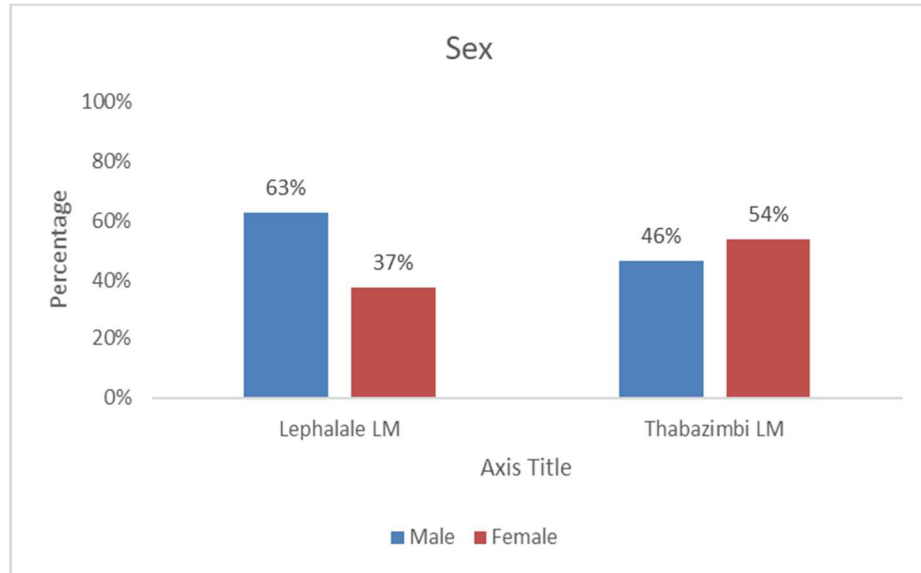


Figure 27: Sex of Survey Respondents

d) Employment Sector

More than half the respondents have worked in the formal sector. These are probably mostly males, given the nature of work available in the Municipality. Few respondents have been engaged in the informal sector. There is a relatively even spread of respondents in the formal sector, informal sector and those who have never been employed in Thabazimbi LM.

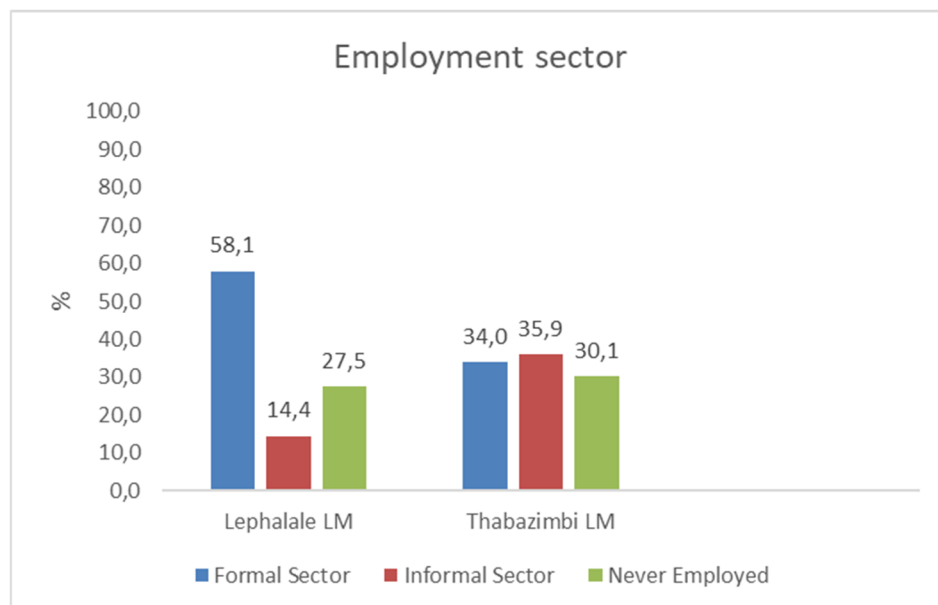


Figure 28: Employment Sector

e) Employment Status

The majority of respondents in both Municipalities indicated that they are unemployed.

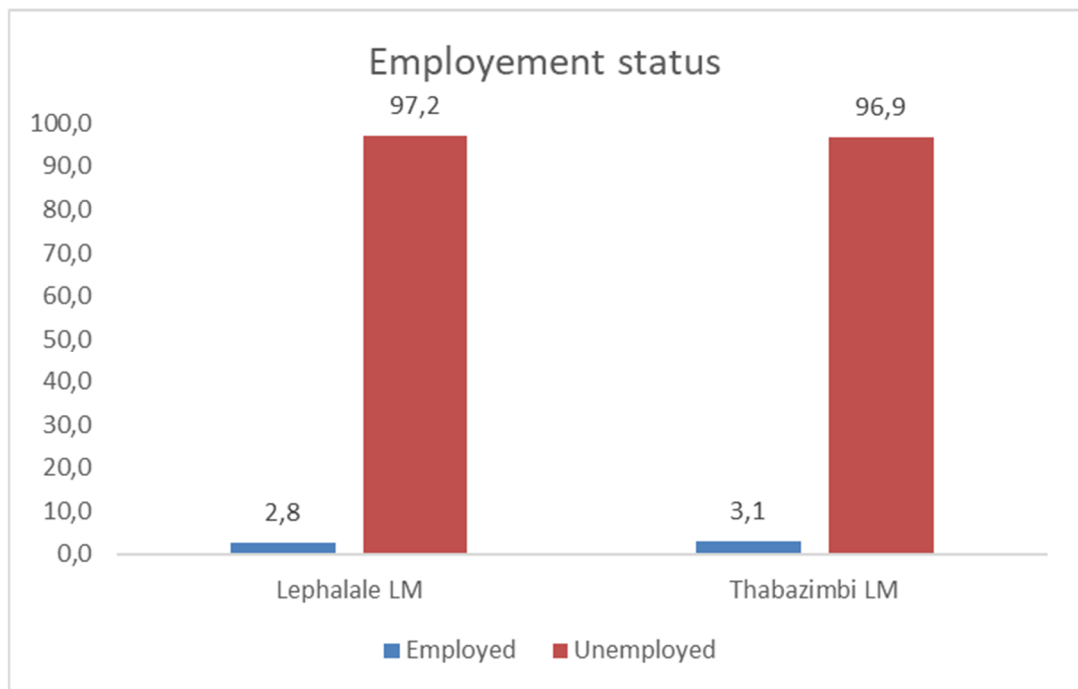


Figure 29: Employment Status

f) Occupations

The dominant occupation amongst Lephhalale survey respondents is construction work, followed by general workers.

Table 25: Occupations in Lephhalale LM

Occupations - Lephhalale	Percentage
Construction – welder, carpentry, scaffolding, bricklaying	24,6
General worker	16,3
Service workers and shop and market sales workers	11,1
Domestic workers	10,2
Plant and machine operators and assemblers	9,4
Clerks	5,6
Driver	4,5
Craft and related trades workers	3,6
Technical and associate professionals	1,5
Subsistence Farmer	1,4
Professionals	1,3
Skilled agricultural and fishery workers	1,3
Elementary occupation	1,3

Occupations - Lephalale	Percentage
Riger	1,2
Pipe Fitter	1,1
Tutor	1,1
Electrical Engineer	0,9
Boilermaker	0,8
Safety Officer	0,7
Mechanical Fitter	0,5
Legislators, senior officials and managers	0,4
Cable Puller	0,4
Electrician	0,3
Mechanical Engineer	0,3
Fitter	0,1
Mechanic	0,1
Plumber	0,1
Other	0,5

The dominant occupation amongst Thabazimbi survey respondents is service work, followed by domestic work.

Table 26: Occupations in Thabazimbi LM

Occupation - Thabazimbi	Percentage
Service workers and shop and market sales workers	27
Domestic workers	17
Construction – welder, carpentry, scaffolding, bricklaying	13
General worker	11
Plant and machine operators and assemblers	11
Clerks	5
Driver	4
Skilled agricultural and fishery workers	2
Technical and associate professionals	2
Craft and related trades workers	2
Professionals	1
Subsistence Farmer	1
Other	5

6.5.3 MCWAP-2 Business Registration

The section that follows describes the key results of the business registration undertaken amongst the communities of Lephalale LM and Thabazimbi LM. A total of 275 individuals completed the survey.

a) Types of Business Registration

Most respondents surveyed in both Municipalities own propriety limited companies, followed by sole proprietorships.

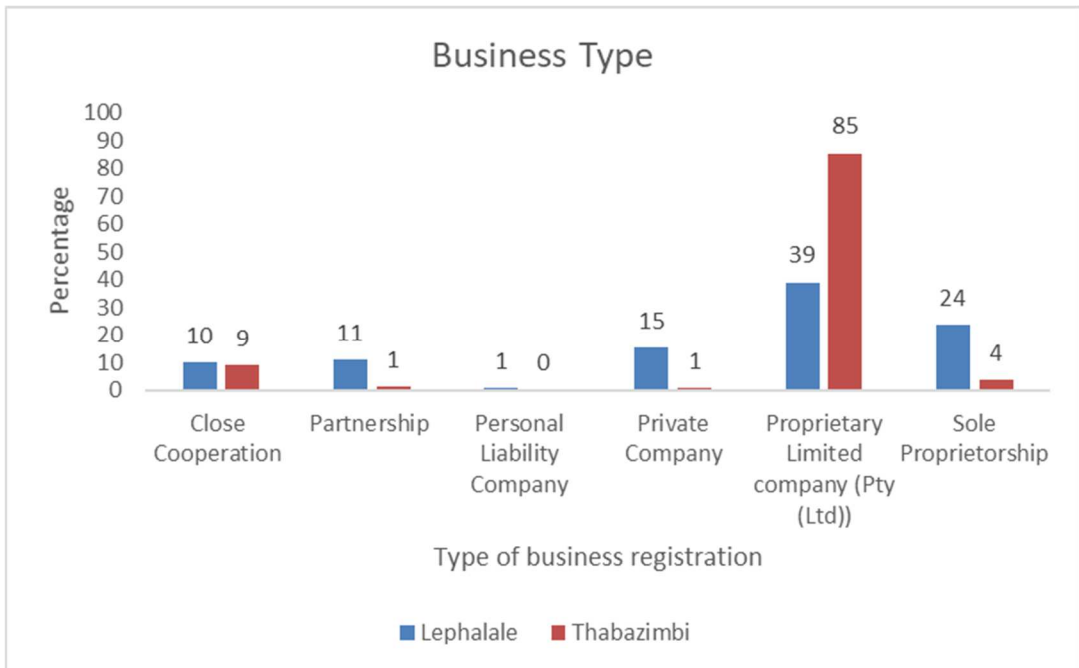


Figure 30: Business Types

b) Age of Business

Most businesses in both Municipalities started recently – in the last four years.

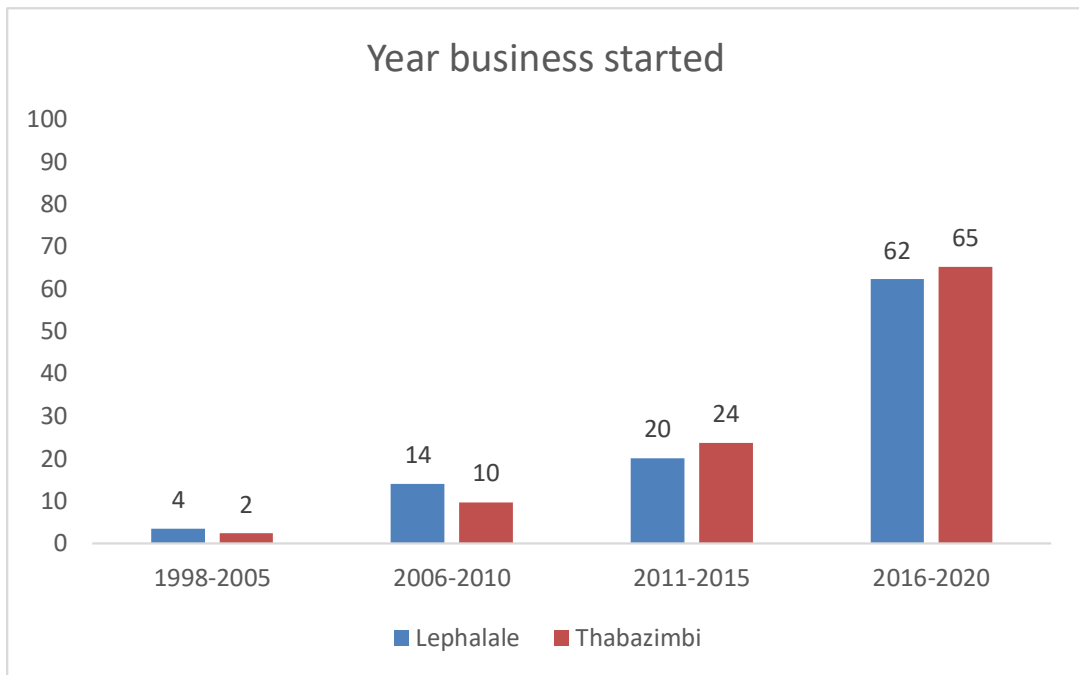


Figure 31: Year the Business Started

c) Annual Turnover

Business respondents in Thabazimbi reported a significantly higher annual turnover than those in Lephalale. Annual turnover amongst business respondents is mostly below R1 million rand.

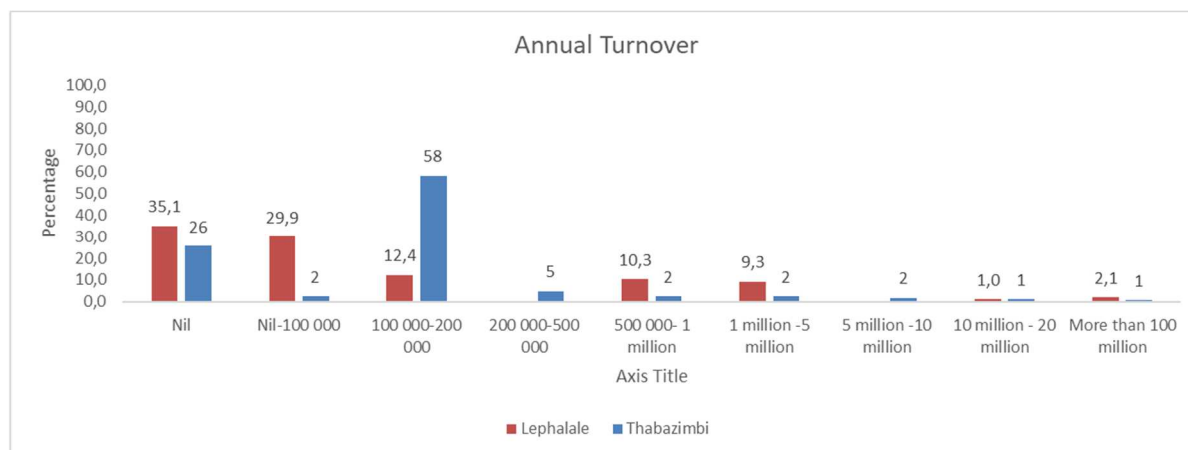


Figure 32: Annual Turnover

6.5.4 Other Labour Skills Databases

In South Africa, many skilled sectors have difficulty filling certain positions (Department of Trade and Industry, 2003). There is an inherent need to address the issue of skills shortage in the country, moreover labour skills are an important element when it comes to the implementation of a project.

Most of the stakeholders interviewed indicated that there are very high levels of unemployment in both municipalities and they have a database of unemployed community members. The databases are at a national, district and municipal level.

The organisations operating in different areas of Lephalale and Thabazimbi have a direct link to the communities and understand the different skill level in the area.

Table 27 provides a list of skills databases available in several mines and organisations operating in and around the MCWAP-2 project area.

Table 27: Existing Labour Databases

Database Source	What geographic area the information covers	Availability
1. Gauteng City Region Academy (GCRA)	National	Available upon request
2. National Department of Education	National	Readily available online
3. Department of Labour (ESS)	National	Available upon request
4. National Youth Development Agency	National	Available upon request
5. National Skills Fund	National	Available upon request
6. Waterberg District Municipality	Waterberg District	Available upon request
7. Lephalale Local Municipality	Municipality	Available upon request

Database Source	What geographic area the information covers	Availability
8. Thabazimbi Local Municipality	Municipality	Available upon request
9. Thabazimbi CBO	Thabazimbi Local Municipality	Available upon request
10. Tshwaranang NPO	Lephalale Local Municipality	Available upon request
11. Liswika Foundation	Lephalale Local Municipality	Available upon request
12. Gameways NPO	Lephalale Local Municipality	Available upon request
13. Lephalale Environmental Justice Forum	Lephalale Local Municipality	Available upon request
14. Waterberg Women's Advocacy Organization	Lephalale Local Municipality	Available upon request
15. Marapong Youth Development Forum	Lephalale Local Municipality	Available upon request

6.5.5 Recommendations from the Labour and Business Registrations

The business and labour registration turnout, especially in the Lephalale villages suggests that there is a great shortage of business and employment opportunities. It is therefore recommended that minimum business and employment minimum targets set by the project must be met. The MCWAP-2 Project on its own will not be able to provide opportunities to all. Therefore, it is recommended that the project implement a local community employment and business capacity building project that will encourage other individuals and businesses to take-up various opportunities elsewhere on other projects and outside their local municipalities.

The results of the surveys will be incorporated into the Social Specification for the contractor(s) who will use the information to inform their recruitment and procurement development programmes.

It is recommended that the contractor conduct business and labour skills database registration prior to and during the construction phase.

7 SOCIO-ECONOMIC RESPONSE PLAN

A socio-economic response plan was developed to address the issues identified in the study. The plan highlights the key issues discussed in the baseline, the threats and opportunities that the key issues represent, proposed measures that should be put in place to address the challenges and the agencies responsible for implementing the recommendations. The response plan is based on issues raised by stakeholders and to a lesser degree their recommendations. The recommendations provided in the socio-economic response plan are based on both stakeholder inputs and the expertise of the specialists.

Table 28: Socio-economic Response Plan

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
<p>Construction projects have in the past resulted in an influx of job-seekers seeking employment on these projects.</p> <p>This is in the context of high unemployment country-wide, and economic recession which has been exacerbated by the COVID19 pandemic, giving rise to a far greater number of “economic refugees”.</p>	<p><i>Risk/Threats:</i></p> <ul style="list-style-type: none"> • Growing informal settlement • Competition for scarce jobs • Pressure on physical and social infrastructure • Risk of increased vulnerability of youth and women <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> • Attract talent and skills • Increase local spending • Increase cultural diversity, which builds tolerance 	<p>Provide/facilitate housing for all construction employees, which would include contractors’ camps.</p> <p>Work with the LMs to develop an influx management plan to plan for the expected growth and to support the LM to mitigate for risks associated with the influx of job-seekers.</p> <p>Facilitate social monitoring for tension between community groups.</p> <p>Develop a contractor management plan that has a code of conduct for employees.</p>	<p>Employee housing programme</p> <p>Diversity training for all employees</p> <p>Sensitisation programme to understand local norms and culture</p> <p>Municipal capacity building programme to support the LED, IDP and planning departments at local and provincial levels</p>	<p>Budget for stakeholder engagements and programs</p> <p>Productive relationships with the Provincial, Local and Traditional authorities</p>	<ul style="list-style-type: none"> • Influx management plan • Stakeholder engagement plan (Aligned to the MCWAP-2 SMP) • Communication plan (Aligned to MCWAP-2 SMP) • Complaints and grievance mechanism (Aligned to MCWAP-2 SMP) • Incident management plan and register (Aligned to MCWAP-2 SMP) • Contractor management plan <p>Responsibility:</p> <p>Contractor; GBN-JV social team</p>
<p>SA legal systems require that the local government elections take place</p>	<p><i>Risks/Threats:</i></p> <ul style="list-style-type: none"> • Instability caused by Municipal local elections • Electioneering creating high expectations for the project 	<p>Avoid major construction works before, during and just after the election period.</p> <p>Develop one official channel of communication for the public to access accurate information and get their questions answered.</p>	<p>Set up an information centre in both municipalities (include a recruitment/ procurement desk).</p>	<p>Information management to ensure that sensitive project information is not leaked and that project information is kept at a high level</p>	<ul style="list-style-type: none"> • Stakeholder engagement plan (Aligned to MCWAP-2 SMP) • Communication plan (Aligned to MCWAP-2 SMP)

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
	<p><i>Opportunities:</i></p> <ul style="list-style-type: none"> Can result in greater accountability in local government structures Can result in new trusting and productive relationships with local government officials. 	<p>Address misinformation and rumours about the Project and its associated recruitment and procurement processes.</p> <p>Avoid affiliation with political parties but engage officials and politicians through the official channel to ensure they have the correct project information.</p>	<p>Conduct targeted engagement with stakeholders.</p>	<p>Targeted and strategic engagements.</p> <p>Budget for and engagement communication efforts.</p> <p>Productive relationships with stakeholders.</p>	<ul style="list-style-type: none"> Recruit a communication specialist to support the project's communication needs, e.g., develop key messages, setup social media platforms, branding. <p>Responsibility: GBN-JV Social Team</p>
<p>Stakeholders have noted that political figures are providing information about the Project in order to win support of their constituencies.</p>	<p><i>Risks/Threats:</i></p> <ul style="list-style-type: none"> Politicians creating high expectations of the Project and creating confusion amongst communities. Politicians may use the misinformation and confusion to their own advantage and gain community support for themselves <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> To provide information to all stakeholders that can be easily understood. 	<p>Develop one official channel of communication for the public to access accurate information and get their questions answered.</p> <p>Develop project messaging to counter misinformation and rumours about the Project and its association recruitment and procurement processes</p> <p>Avoid affiliation with political parties but engage officials and politicians through official channels to ensure they have the correct project information</p>	<p>Set up an information centre in both municipalities (include a recruitment/ procurement desk).</p> <p>Conduct targeted engagement with stakeholders.</p>	<p>Targeted and strategic engagements.</p> <p>Budget for and engagement communication efforts.</p> <p>Productive relationships with stakeholders.</p> <p>Official channel becomes the trusted source of Project information</p>	<ul style="list-style-type: none"> Stakeholder engagement plan (Aligned to MCWAP-2 SMP) Communications plan (Aligned to MCWAP-2 SMP) Recruit a communication specialist to support the project's communication needs, e.g., develop key messages, setup social media platforms, branding. <p>Responsibility: GBN-JV Social Team</p>

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
	<ul style="list-style-type: none"> To develop relationships with a range of influencers to create support for the Project 				
<p>Stakeholders note that political figures interfering in procurement and employment procedures as a precedent on mega projects</p>	<p><i>Risks/Threats:</i></p> <ul style="list-style-type: none"> Could lead to protest action. Allegations of corruption and bribery embedded in project processes. Could exacerbate existing political tensions. Politicians instigating disruptive business behaviour. <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> To improve access to information for all stakeholders. To build trust between Project and stakeholders. 	<p>Develop mechanisms and protocols for communicating and engaging with the LMs.</p> <p>Develop one official channel of communication for the public to access accurate information and get their questions answered.</p> <p>Address misinformation and rumours about the Project and its association recruitment and procurement processes</p> <p>Work in collaboration with the Provincial Departments of Labour and Social Development.</p> <p>Develop a strategy to address political interference.</p>	<p>Set up an information centre in both municipalities (include a recruitment/ procurement desk).</p> <p>Develop procurement and recruitment processes that do not depend on municipal/political support for implementation.</p> <p>Provide training to MCWAP-2 staff, including sub-contractors, on how to implement the political interference strategy.</p>	<p>Broad engagement with different stakeholder groups.</p> <p>Budget for engagement and communication efforts.</p> <p>Productive relationships with stakeholders.</p> <p>Ensure transparency of all project processes.</p> <p>Take ownership of all processes.</p>	<ul style="list-style-type: none"> Stakeholder engagement plan (Aligned to MCWAP-2 SMP) Communications plan (Aligned to MCWAP-2 SMP) Recruit a communication specialist to support the project's communication needs, e.g., develop key messages, setup social media platforms, branding. <p>Responsibility:</p> <p>GBN-JV Social Team</p>
<p>Stakeholders noted reports of xenophobia, racism, discrimination (gender) and community mistrust in local government</p>	<p><i>Risks/Threats:</i></p> <ul style="list-style-type: none"> Community frustration with local government and high unemployment may spill over to MCWAP-2, leading 	<p>Develop a MCWAP-2 transformation policy that describes how the Project will address local employment, local procurement and community development.</p>	<p>Socio-economic development (SED) plan</p>	<p>Cultural sensitivity.</p> <p>Transparent and consistent communication.</p>	<ul style="list-style-type: none"> Stakeholder engagement plan (Aligned to MCWAP-2 SMP) Communications plan (Aligned to MCWAP-2 SMP)

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
<p>(allegations of corruption), as the precedent on mega projects.</p> <p>Community frustration with rising unemployment, lack of service delivery and labour issues.</p> <p>Some community members are despondent about the potential benefits of the Project based on precedents set by other mega projects.</p>	<p>to protests targeting MCWAP-2.</p> <ul style="list-style-type: none"> Risk of xenophobic attacks on foreign nationals who move to the area. Discrimination in recruitment process based on race, gender and sexual orientation Nepotism and cronyism linked to recruitment and procurement processes. <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> To foster trusting relationships with community leaders, influencers and the broader community. To gain social license to operate. To leave a legacy of what government-led projects can achieve in community development. 	<p>Publicise the policy, get public feedback, and communicate progress to the public using the official communication platform.</p> <p>Give community forums/NGOs roles to play, e.g., participating in CSI projects, being part of working groups, conducting community surveys.</p> <p>Monitor the changing socio-political dynamics amongst communities and in the LMs. (Watching brief)</p> <p>Engage with municipalities about community benefits in public fora, e.g., IDP review meetings.</p> <p>Plan community benefits, employment and procurement in the context of the precedents set by industries/other mega projects like Medupi. Where some of these precedents will not be followed, provide clear rationale to stakeholders in a transparent manner.</p>	<p>Community development/CSI programs</p> <p>Provide training to project staff on corruption and bribery.</p> <p>Cultural sensitivity and diversity training</p> <p>Conduct a human rights and vulnerability risk assessment</p> <p>Training and capacity building of the local municipality to support them in meeting their service delivery mandates</p>	<p>Willingness to listen to community issues and flexibility to update plans and processes that take these into account.</p> <p>Work in true partnership with other stakeholders on CSI/SED projects.</p> <p>Leverage existing projects such as Eskom’s contractor academy or the Social and Labour Plan projects from the mining houses.</p> <p>Be honest and transparent about the limitations of the Project and manage expectations.</p> <p>Community members defend the Project to ensure continued benefits from the project.</p>	<ul style="list-style-type: none"> Commitments register (to record commitments made to stakeholder groups) Training material for anti-corruption and bribery Impact management plans on human rights and vulnerability Complaints and grievance procedure <p>Responsibility:</p> <p>GBN-JV Social Team</p>
<p>Stakeholders note disruptive business behaviour as the</p>	<p><i>Risks/Threats:</i></p>	<p>Do not defer stakeholder engagement responsibilities to existing forums as existing</p>	<p>Training on the Voluntary Principles on Security and</p>	<p>Take ownership of all engagement processes.</p>	<ul style="list-style-type: none"> Stakeholder engagement plan (Aligned to MCWAP-2 SMP)

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
<p>precedent on mega projects.</p> <p>Past disruptive business behaviour is confirmed in media reports.</p> <p>Disruptive business behaviour is prevalent and more violent in Lephalale than Thabazimbi.</p>	<ul style="list-style-type: none"> Project delays due to disruptive business behaviour. Protests related to allegations of unfair recruitment and procurement processes, including nepotism and cronyism. Rapid increase in the number of business forums, either formally or loosely formulated, that force construction projects to procure them. Allegations of corruption and bribery, and unfair labour practices by contractors (non-payment of labour) <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> Local recruitment and procurement to enhance the multiplier effect on the local economy through hiring local labour To develop communities 	<p>forums may have their own bias/agendas.</p> <p>Disseminate information through the official communication platform to manage the perception that any one party is more informed or benefitting more than another.</p> <p>If a CLO is appointed, monitor his/her local impact to ensure he/she does not collude with community members/municipality.</p> <p>Monitor changes in the socio-political dynamics amongst communities and within the municipalities; in particular politicians inciting protests, inter-community fighting over project benefits and competition between business forums. (Watching brief)</p> <p>Provide supplier development and training for local businesses.</p> <p>Ring-fence employment opportunities (at multiple levels).</p>	<p>Human Rights for security personnel</p> <p>Demarcate a space for picketing and receipt of memoranda from protesting groups</p> <p>Develop a security risk assessment and emergency response plans to deal with unforeseen site disruptions.</p> <p>Develop site disruption contingency plans</p> <p>Provide tender-readiness training to local businesses, well in advance of the tender process to give them the time needed to meet the tender requirements.</p> <p>Partner on Eskom's supplier development and localisation programme to secure opportunities for</p>	<p>Maintain a watching brief on socio-political dynamics.</p> <p>Willingness to listen to community issues and flexibility to update plans and processes that take these into account.</p> <p>Open and transparent engagement and communication</p> <p>Fairness in recruitment and procurement processes</p> <p>Management of security risks</p>	<ul style="list-style-type: none"> Communications plan (Aligned to MCWAP-2 SMP) Training material for anti-corruption and bribery Complaints and grievance procedure Risk register Commitments register (to record commitments made to stakeholder groups) Contractor social specification Site disruption contingency plans Incident register Security management plan <p>Responsibility:</p> <p>Contractor</p> <p>GBN-JV Social Team</p> <p>Security consultant</p>

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
	<p>through direct benefits of employment and procurement.</p>	<p>Unbundle contracts to ring-fence procurement opportunity to increase localisation.</p> <p>Simplify the tender process for local procurement opportunities.</p>	<p>businesses from the project area.</p>		
<p>It was noted in interviews that public violence and protest action is prevalent in reaction to dissatisfaction with construction projects.</p>	<p><i>Risks/Threats:</i></p> <ul style="list-style-type: none"> Public violence and destruction of property resulting from the perception that procurement and employment processes are unfair. Allegations of corruption and bribery. Wage disputes and resulting project delays <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> To create well-informed local community To facilitate direct project benefits from local employment and procurement To enable social license to operate 	<p>Develop targeted partnerships with SAPS, farm watch groups and Community Police Forums (all listed in this baseline report) for the purposes of gathering intelligence before incidences occur, devising response plans should such incidences occur.</p> <p>The contractor must monitor their sub-contractors' labour and procurement practices to ensure that their labour and procurement practices are fair and legal.</p> <p>Ring-fence employment opportunities (at multiple levels).</p>	<p>Training on the Voluntary Principles on Security and Human Rights for security personnel</p> <p>Demarcate a space for picketing and receipt of memoranda from protesting groups</p> <p>Develop a security risk assessment and emergency response plans to deal with unforeseen site disruptions.</p> <p>Develop site disruption contingency plans</p>	<p>Take ownership of all engagement processes.</p> <p>Maintain a watching brief on socio-political dynamics.</p> <p>Willingness to listen to community issues and flexibility to update plans and processes that take these into account.</p> <p>Open and transparent engagement and communication</p> <p>Fairness in recruitment and procurement processes</p> <p>Management of security risks</p>	<ul style="list-style-type: none"> Stakeholder engagement plan (Aligned to MCWAP-2 SMP) Communications plan (Aligned to MCWAP-2 SMP) Training material for anti-corruption and bribery Complaints and grievance procedure Risk register Commitments register (to record commitments made to stakeholder groups) Contractor social specifications Site disruption contingency plans Incident register Security management plan <p>Responsibility: Security consultant</p>

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
					GBN-JV Social Team
<p>The following crimes in the local municipal areas are already prevalent:</p> <ul style="list-style-type: none"> • Theft of cables, diesel, equipment and livestock; • Poaching; • Burglaries; • Assault; • Farm murders; and • Hijacking 	<p><i>Risks/Threats:</i></p> <ul style="list-style-type: none"> • Crime levels and other social ills increasing due to the influx of workers and job-seekers. The ills are associated with access to money after staff are paid, gender dynamics, and co-existence of multiple nationalities. • Xenophobic attacks as foreign nationals are blamed for all crime in the area. • Human rights risk resulting from e.g., detention without charge of suspected criminals and other violations. • Possibility of unfair stop and search of people in the area just passing through. <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> • To improve policing and response times • To increase vigilance and 	<p>Identify community benefit organisations that work towards reducing these types of social ills, focusing particularly on the hotspot areas. (Refer to the list provided in this baseline report)</p> <p>Build partnerships with these organisations to support their efforts by providing support and resources, e.g., financial resources, expertise, skills training, access to other support entities.</p>	<p>Training on the Voluntary Principles on Security and Human Rights for security personnel</p> <p>Develop a security risk assessment and emergency response plan</p> <p>Community development/CSI programs</p>	<p>Management of security risks</p> <p>Close collaboration with the security cluster on issues of crime prevalence in the project areas</p> <p>Community-led initiatives that address security</p>	<ul style="list-style-type: none"> • Complaints and grievance procedure • Risk register • Incident register • Impact management plans on human rights and vulnerability <p>Responsibility:</p> <p>GBN-JV Social Team</p>

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
	protection of project assets. <ul style="list-style-type: none"> To improve security at community levels 				
<p>Landowners note that the following crimes in the immediate project area are prevalent:</p> <ul style="list-style-type: none"> Trespassing; Theft; Poaching; Burglaries; and Farm murders <p>Landowners fear that the Project will exacerbate these crimes.</p>	<p><i>Risks/Threats:</i></p> <ul style="list-style-type: none"> Crime experienced by landowners as a result of influx of workers and work-seekers during construction, e.g., theft of/harm to livestock and game, harm to people living and working on the properties, destruction of properties, etc. Crimes can lead to landowner refusal to grant access onto the servitude adjacent to their properties for the continuation of MCWAP-2 activities at any given time <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> To improve policing and response times To increase vigilance and protection of project assets. 	<p>Develop and implement an access control plan. The plan must include, amongst other things, measures to ensure that only legitimate employees and visitors enter the site, e.g., fingerprint access.</p> <p>Work within the parameters of existing landowner security measures that will ensure the safety of landowners, their properties and their assets.</p> <p>Landowners have requested that the Project employ their security staff, who are well-experienced in security issues on the impacted properties, as part of the project's security staff.</p> <p>Support existing efforts at visible policing and ongoing patrols.</p>	<p>Training on the Voluntary Principles on Security and Human Rights for security personnel</p> <p>Develop a security risk assessment and emergency response plan</p> <p>Employee vetting as part of on-boarding procedures.</p> <p>Security management plan</p>	<p>Management of security risks</p> <p>Close collaboration with the security cluster on issues of crime prevalence in the project areas</p> <p>Close collaboration with existing farm watch groups as well as the local police and other security agencies in the project area.</p> <p>Productive relationship with the land owners</p> <p>Strict access control to the site.</p>	<ul style="list-style-type: none"> Risk register Incident register Security management plan for immediate project area Impact management plans on human rights and vulnerability <p>Responsibility:</p> <p>GBN-JV Social Team Safety</p> <p>Security consultant (The consultant must be particularly experienced in issues relating to poaching, farm crimes in South Africa, security on large farms, amongst other things)</p>

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
	<ul style="list-style-type: none"> To improve security for landowners To build trusting relationship with landowners 				
<p>Stakeholder interviews and scientific reports have highlighted that prolonged environmental exposure could pose a serious health risk to on-site workers.</p>	<p><i>Risks/Threats:</i></p> <ul style="list-style-type: none"> Exposure of workers and visitors to wild and dangerous animals, high temperature conditions, vehicle accidents particularly because of the bad roads, and the risk of contracting and spreading COVID-19 and other communicable diseases. <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> To develop a safety culture that workers take into their communities and homes 	<p>Develop a health and safety plan specifically for onsite staff and conditions. The plan must include, amongst other things:</p> <ul style="list-style-type: none"> Provision of adequate PPE to protect workers from dangerous animals, harsh elements and COVID-19 Keeping anti-venom onsite Guidance on working in extreme weather conditions (heat, thunder storms, rain, flooding) 	<p>Health and safety plan</p> <p>Pre-work health and safety risk briefing.</p> <p>Transport contractor specifications on vehicle safety and driving behaviour.</p>	<p>Zero tolerance for health and safety risks.</p> <p>Well-trained workers who can adequately assess on-site risks.</p> <p>Fostering a safety culture.</p>	<ul style="list-style-type: none"> Health and safety training for employees Risk register Emergency response procedure (including medical evacuation) <p>Responsibility:</p> <p>GBN-JV Contractor</p>
<p>Stakeholders noted that environmental conditions can negatively impact the biosecurity programs taking</p>	<p><i>Risks/Threats:</i></p> <ul style="list-style-type: none"> The activities of workers can unknowingly lead to the biosecurity of game being threatened. For e.g., 	<p>Work with landowners to understand the ways in which the Project can threaten the biosecurity of their game and develop landowner-led mitigation and management measures.</p>	<p>Engagements with landowners to understand their requirements with regards to biosecurity</p>	<p>Landowners trust the Project's construction methods and procedures</p>	<ul style="list-style-type: none"> Biosecurity impact assessment with management and monitoring plans <p>Responsibility:</p>

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
<p>place on some properties.</p>	<p>exposure of game to biota that are harmful to the biosecurity of game spread via people's shoes or in vehicles tyre treads</p> <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> To build trusting relationship with landowners 				<p>GBN-JV – to be included in CEMPr Contractor</p>
<p>Stakeholders, particularly landowners, noted that the project area is prone to veld fires, which can cause severe harm to property if the risk is not properly mitigated.</p>	<p><i>Risks/Threats:</i></p> <ul style="list-style-type: none"> Increased risk of veld fires due to the presence of more people in the project area who may not be as vigilant as the landowners. Veld fires caused by negligence can lead to landowner refusal to grant access onto the servitude adjacent to their properties for the continuation of MCWAP-2 activities at any given time <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> To develop a safety culture that workers take into their 	<p>Develop a veld fire-fighting response plan in the parameters of the existing plans that landowners currently use.</p> <p>Conduct veld fire-fighting training for staff.</p> <p>Make use of experienced fire fighters that work for landowners.</p> <p>Develop an emergency response plan which includes evacuation of people and animals.</p> <p>Code of conduct signed by all employees to foster respect for landowner property and the environment.</p>	<p>Environmental management plan</p> <p>Clearly demarcated and safe storage areas for fuel and flammable substances.</p> <p>Provide demarcated smoking areas on site.</p>	<p>Well trained staff to respond to fires swiftly</p> <p>Respect for the environment</p> <p>Respect for the landowner's property.</p> <p>Productive relationship with the landowners</p>	<ul style="list-style-type: none"> Health and safety training for employees Risk register Emergency response procedure (including evacuation of people and animals, including game) <p>Responsibility:</p> <p>Contractor</p> <p>GBN-JV Environmental team</p>

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
	<p>communities and homes</p> <ul style="list-style-type: none"> To build trusting relationship with landowners 				
<p>Cultural heritage sites, objects and finds are present in the project area, as stipulated in the Heritage Impact Assessment and Paleontological Impact Assessment.</p>	<p><i>Risk/Threats:</i></p> <ul style="list-style-type: none"> Heritage sites, objects and finds are overlooked or treated incorrectly during construction activities. Communities may view a disregard for heritage impacts as disrespectful posing a reputational risk the MCWAP-2 project. Community protests may occur if communities find out that heritage finds were not adequately dealt with. Contravention of relevant legislation listed in the HIA could result in law-suits <p><i>Opportunities:</i></p> <ul style="list-style-type: none"> To find/locate previously unknown graves 	<p>The contractor must implement a chance find procedure that outlines what the contractor must do if they come across heritage objects.</p> <p>Construction staff must be trained in the chance find procedure as directed by the heritage authorities.</p> <p>Where graves are located, the families to whom the remains belong must be located and the remains returned to them. The Project should assist families to conduct reinterments, in accordance with the family's cultural practises.</p>	<p>Develop a protocol for how workers should address cultural heritage finds</p> <p>Develop a manual for workers that explains how to identify and deal with heritage finds</p>	<p>Compliance with heritage-related legislation</p> <p>Outward display of respect for community heritage</p> <p>Building community trust in the project</p>	<ul style="list-style-type: none"> Chance find procedure as stipulated by the heritage authorities Training for construction staff on cultural heritage finds <p>Responsibility:</p> <p>Contractor GBN-JV</p>

Current Situation	Risks, Threats & Opportunities	Proposed Strategic Mitigation	Recommended Initiatives	Key Success Factors	Project Requirements & Specifications
	<ul style="list-style-type: none"> To reunite community members with the remains of their family members 				
<p>Unemployment levels are high as demonstrated by high turnout during the labour registration and survey records of unemployment, Businesses have low levels of experience as indicated by their few years of operation (most registered between 2016 and 2020) and low annual turnover as reported in the survey.</p>	<ul style="list-style-type: none"> Labour will have high expectations of employment opportunities on MCWAP-2 Businesses will have high expectations of businesses opportunities on MCWAP-2 	<p>Create opportunities for labour and business that fall outside the direct mandate of the Project, which is to construct the pipeline and associated infrastructure.</p> <p>Facilitate career advancement opportunities for community members.</p>	<p>By working through third parties, facilitate employment and business opportunities that are unrelated to the MCWAP-2.</p>	<p>MCWAP-2 will be able to demonstrate that it has created more employment and business opportunities than what the pipeline construction alone could have enabled.</p>	<ul style="list-style-type: none"> A team of resources to facilitate the initiatives. <p>Responsibility: GBN-JV Social team</p>

8 CONCLUSION

Socio-political

The socio-political dynamics in both local municipalities are influenced by similar factors including, high unemployment, a significant proportion of youth in the population and a male-dominated sex ratio. In addition, TLM is influenced by high in-migration and high internal movement within the local municipality. This is compared to LLM where the socio-political dynamics are affected by high population growth rates. The governance structure of TLM and LLM differ considerably. TLM is run by a coalition government between the EFF, DA and Thabazimbi Residents Association since the 2016 LGE. Decision making in this municipality is reportedly slow as the coalition government seeks consensus on most issues. There are no traditional authorities in the TLM because the area did not historically belong to a Homeland. Furthermore, it is not clear if the coalition government will remain in power after the 2021 LGE. Despite the stability, there seems to be growing dissatisfaction among citizens, in particular, those who are not affiliated with the ANC. However, it is anticipated that the ANC will likely remain in power in the next LGE, despite the significant ground gained by the EFF and the DA since the previous LGE. The traditional authorities do not form part of local government but play a vital leadership role in the local communities, and as such, they are an important stakeholder in projects such as MCWAP-2.

There is broad support for the MCWAP-2 in both municipalities. Respondents in both municipalities cited job creation and aspects related to economic development and poverty alleviation as benefits of the MCWAP-2. In TLM respondents' support for the Project also stems from the perception that the Project will help alleviate extreme water shortages for domestic use and agriculture in the area. In LLM respondents' support also stems from the assertion that it will unlock growth of the mining and energy sectors.

The socio-political landscape is expected to change after the 2021 LGE. The study showed growing numbers of disruptions in construction projects like the MCWAP-2. Local community groups are creating pressure through protest action and other disruptive behaviour to ensure that they benefit from the employment and procurement opportunities available. These socio-political dynamics are continuously changing and it would be important to keep a watching brief on the perceptions the various stakeholder groups have of the MCWAP-2.

Community Development

The community development needs were assessed using the sustainable livelihoods framework, evaluating the five capitals of each local municipality. The objective was to gain a better understanding of the extent to which people's lives will be affected by the project as well as to provide guidance on how the MCWAP-2 can better support community development needs through CSI projects. The top three community development issues for TLM were access to safe drinking water, employment and skills development. LLM differs slightly in that its top three community development issues were employment, water availability for industries and business development.

Landowners of the directly impacted properties are generally engaged in wildlife breeding, tourism and hunting. These landowners are deeply concerned about the impact of the Project on their livelihoods. These concerns pertain to security and access control, the risk of wildlife escaping, disturbance to their operations and breeding programs, as well as the biosecurity risks and the spread of pathogens such as foot and mouth disease through human contact with wildlife such as buffalo.

There are a several community development initiatives underway in each local municipality. Some are geared towards different age group such as the youth and the elderly. Local economic development initiatives centre largely on agricultural projects and enterprise development. Social development initiatives focus largely on community health issues and recreation. Community development needs were assessed and ten community development projects are proposed in this report, including existing initiatives that the MCWAP-2 can support.

Disruptive Behaviour

The objectives of the disruptive behaviour study were to provide a profile of the various business forums and community structures present in the broader project area and to profile those that may engage in disruptive business behaviour. The study found that the business forums had varying degrees of organisation with some being formally constituted and others being relatively informal with unclear membership. Thirteen business forums were reviewed as part of the research study and a brief description is provided for each. Some have close alignment with political parties while others maintain non-alignment. There are rivalries between some business forums, usually between those who are politically aligned and those who are not. There are also instances of cooperation between business forums. For example, where a business forum does not have the skills or expertise from their members, they will collaborate and share opportunities with other business forums. The membership of the business forums seems to be in a constant state of flux, particularly amongst the less formalised business forums.

The disruptive business behaviours that have been identified include work stoppages, blocking access points, intimidation, threats against project contractors and team members as well as vandalism. There is a trend for protest action to become violent. The underlying issues cited justifying disruptive behaviour include a perception of bias or fraud in employment and procurement, lack of benefits for locals, and demands for 30% of the procurement spend. Some business forums tend to be locality-specific, effectively claiming turf which can increase tensions between business forums. Because the disruptive business landscape is consistently changing, it is necessary to maintain a watching brief of key stakeholder groups.

A key lesson learned from industry stakeholders is that the fluctuation in the socio-political context has an important influence on the nature and the scale of disruptive behaviour. The upcoming local government elections is one such example where stakeholders viewed the 2021 local government elections as a sensitive time for the MCWAP-2 because politicians may use information on the Project to garner votes, which could lead to heightened expectations that the Project cannot meet.

There seems to be a sense of entitlement to benefit from the Project given the interpretation of the Preferential Procurement Policy Framework Act (Act 5 of 2000), demanding 30%, however this may be out of desperation and frustration of the local communities being consistently overlooked in the past. The relationship between the main contractor and sub-contracting is important as it could trigger disruptive business behaviour. Key strategies recommended for managing disruptive behaviour includes stakeholder engagement, ensuring that the community benefits, understanding the project context, attending to emerging socio-political issues, and developing a security management plan. Other industry stakeholders have developed plans and protocols to manage disruptive behaviour and have offered to share their experiences, including documents, in this regard.

Security

It is important to understand the health, safety and security risks associated to the MCWAP-2 for all stakeholders. A baseline of security issues in the project area is provided. The crime statistics show

that both the TLM and LLM are relatively safe areas with low levels of serious crime. Reports of crime have increased and there are improvements in policing and crimes detected through police action. The crime experienced in both local municipalities are deemed average with 3.4 to 5.5 households reporting that they experienced crime in the preceding 12 months. The main types of crimes experienced in the project-affected areas included theft (predominantly stock theft), poaching, burglaries, assault, farm murders and hijacking. The existing security measures implemented by police, community policing forums, private security and landowners are reported on. Surveillance systems and visible policing through patrols are proving to be very effective in abating crime levels. The perceived security risks reported on are risks to people, property and to the MCWAP-2. There were mixed feelings amongst respondents to the perceived crime risks brought on by the Project. The underlying causes of crime were deemed to be socio-economic factors such as high unemployment, poverty, and in-migration of job seekers. Stakeholders provided a host of practical safety measures that can be implemented by the MCWAP-2. Key recommendations would be to develop a safety and security protocol and to work closely with existing security stakeholders, particularly landowners, in the development of these protocols.

In conclusion, a socio-economic response plan has been developed taking into account the stakeholder recommendations provided for each study area, as well as the socio-economic and socio-political contexts. The plan provides guidance as to what the pertinent issues are and what is possible within the confines of the project life cycle. Implementation of the plan will build the resilience of the Project to deal with the unexpected and unplanned events that can be anticipated in a project of this nature. It is envisaged that these guidelines will facilitate community development and leave a lasting positive MCWAP-2 legacy.

9 RECOMMENDATIONS

This section highlights the key recommendations made in the report. The recommendations are taken from the Socio-economic Response Plan. A MCWAP-2 Integrated Socio-economic Management Framework (ISEMF) must be established, integrating all key socio-economic study elements to enable the implementation of the socio-economic recommended initiatives. The ISEMF shall cover the components below.

9.1 Managing socio-political issues

9.1.1 Communication and stakeholder consultation

- Establish information centres in both local municipalities prior to construction to enable the dissemination of accurate Project information. These must be independent of local municipalities. These centres should also serve as independent recruitment and labour desks. The Project should consider using databases of other entities, such as Eskom Medupi, Waterberg TVET College, recruitment agencies and the Department of Labour.
- Develop a Communication strategy.
- Facilitate regular stakeholder consultation with municipal authorities, traditional authorities.
- Facilitate stakeholder consultation with key community forums, community services such as SAPS and non-profit organisations.

9.1.2 Prevention strategies

- Training should be provided to staff and sub-contractors on how to avoid political interference and corruption, and how to promote cultural sensitivity and diversity.
- Diversity training should be provided for all employees and they should be sensitised to the local norms and cultures.
- Establish an employee housing program for MCWAP-2 staff in order to help manage the influx of job-seekers.
- Avoid major construction activities during the upcoming Local and National Government elections.
- Support local municipalities on their service delivery programmes so that service delivery issues and other community-anticipated unrests directed at the municipalities do not spill over to the MCWAP-2.

9.1.3 General

- Incorporate a Socio-political Management specification in the contractor's request for bids (RFBs).

9.2 Community development and livelihood needs

- A policy should be developed on how community development/CSI programs will be developed and implemented.
- A human rights and vulnerability risk assessment should be undertaken to help inform the development of community benefits and the mitigation of livelihood impacts.
- Municipalities should receive training and capacity building on how to meet their service delivery mandates so that communities do not place all their hopes on external Projects like MCWAP-2 to meet all their unmet service delivery needs.
- Training and job opportunities should be ring-fenced for locals.
- From the community development projects listed in this report, the following are strongly recommended for implementation by TCTA or its sub-contractors:
 - a) Support for the school at Thaba Tholo, guided by their future plans, goals and current needs.
 - b) Develop a programme to support the farm workers and farm dwellers as some may fall under a category of vulnerables.
 - c) Anti-poaching initiative to provide support to the game farming community in conserving wildlife and to alleviate safety and security issues.
 - d) Capacity building program for matriculants and post-matriculants that shows them how to find employment and further study opportunities.
 - e) Teacher Training for local schools to boost the quality of teaching and to provide additional resources and support for educators.
 - f) Sexual reproductive health and gender-based violence awareness programme that increase the awareness of GBV issues and sexual reproductive health issues in the local communities.

- g) Safe to work and home transport initiative that provides training to local transport operators through contract conditions to improve safety of public and private transport operators.
- Incorporate a Community Development and Livelihood Needs specification in the contractor's request for bids (RFBs).

9.3 Managing disruptive business behaviour

- Appoint Community Liaison Officers in line with contracts packages who will serve as a communication link between the project proponents and community stakeholders.
- Mirror the approach used by Medupi and Exxaro to counter the influence of the political elite as well as mechanisms to address grievances such as labour and contractor grievances which may lead to disruptive behaviour and protest action. This should be included in the Project's risk management plan.
- Develop an emergency response plan for unplanned or unexpected disruptions that arise from disruptive business behaviour so that construction can resume as quickly as possible.
- Use the joint security task team to facilitate rapid response to violent disruptions.
- Accept Medupi and Exxaro's offer to engage on a collaborative planning exercise to avoid duplication.
- Consider the offers of several entities that offered assistance to the Project, for e.g.:
 - a) Waterberg Chamber of Business and Waterberg NAFCOG - developing procedures and policies before construction starts.
 - b) Business Unity – resolving conflict over employment and procurement opportunities that cause disruptions to the Project.
 - c) Mapela Traditional Council – disseminating background information on the Project.
 - d) Hartbees Irrigation Board, MOKOLO Water User Association and AgriSA Lephalale – financial and procurement support.
- Space should be demarcated for picketing and receiving memoranda from protesting groups.
- Tender-readiness training should be provided to local businesses. MCWAP-2 should partner with Eskom's supplier development and localisation programme to secure opportunities for businesses from the project area.
- Regular engagements with the area business forums should be clearly articulated in the Project stakeholder and communication plan.
- Incorporate a Disruptive Business Management specification in the contractor's request for bids (RFBs).

9.4 Managing security concerns

9.4.1 Employees and servitude access

- Participate in the existing landowner security forum to ensure the security of properties on the servitude and those surrounding the servitude. Provide additional equipment and resources where this will bolster the security of the area.
- Make use of (and upgrade where feasible) the existing security infrastructure and systems of the landowners as suggested by the Matlabas Reserve.

- Use existing security staff of the landowners to secure the project site as is requested by Thaba Tholo. Establish joint working protocols with landowner security staff and the security company that will be procured, without compromising the privacy of landowner security systems.
- Use a biometric fingerprint system for staff.
- All contractor's employees must be subject to police clearance.
- Limit the use of cell phones within the servitude as cell phone coverage enable poachers to trace game. Cell phones also enable people to photograph valuable assets on the properties in preparation for theft.
- Erect a partition along the servitude where there may be visual exposure to the landowners' properties or game (for privacy purposes as well).
- Servitude fences must be erected according to appropriate specifications, depending on the type of animals that occur on the property, to prevent wild and dangerous animals from climbing over into the servitude or to prevent game from escaping.

9.4.2 Project equipment and assets

- Colour code diesel and petrol tanks for ease of retrieval if stolen.
- Create serial numbers for equipment for ease of retrieval if stolen.
- Establish and maintain an asset register.
- Secure pump stations and pump houses in line with SANS and other relevant requirements.

9.4.3 Fire and environmental protection

- Participate in the existing landowner fire-fighting forums and systems as landowners are experienced in dealing with veld fires on their properties. Provide additional equipment and resources where this will bolster fire-fighting efforts.
- In collaboration with landowners and leveraging on their expertise, develop a veld fire-fighting response plan that incorporates fire risks created by the presence of MCWAP-2 and provide veld fire-fighting training to staff.
- Ensure that employees wear the correct personal protective equipment (PPE) at all times to mitigate the risk of snake and spider bites, exposure to the elements (heat and lightning) and contracting COVID-19. Anti-venom should be kept on site in case of snake bites.
- Put in place measures to protect the biosecurity of animals on the immediate and surrounding properties.

9.4.4 Community-wide security

- Establish relationships with the police and security agencies for rapid response to and prevention of security incidents.
- Support existing community-led security initiatives such as the local Community Safety Forums.
- Ensure that contractors pay employees on time and comparative wages to mitigate for labour unrest.
- Foster a sense of ownership for the project. It is believed that if communities have this sense of ownership, they will protect the project assets and infrastructure.

9.4.5 General

- Develop a safety and security management plan.
- Incorporate a Security Management specification in the contractor's request for bids (RFBs).

9.5 Labour and business

- Incorporate the results of the surveys into the Social Specification for the contractor(s) who will use the information to inform their recruitment and procurement development programmes.
- Conduct business and labour skills database registrations prior to and during the construction phase.
- Facilitate employment and business opportunities that are unrelated to the MCWAP-2 in order to manage high expectations of employment and business opportunities.
- Where there is a mismatch between the skills and businesses available locally and what the Project requires, the contractor should put in place skills and business development programmes in order to develop local human resources and local businesses.
- The contractor must ensure that they subcontract a minimum of 30% of the works to local emerging entities that are at least 51% black-owned.
- The contractor and its sub-contractors must comply with the labour legislation such as the Skills Development Act and the Labour Relations Act and it must meet and maintain the minimum B-BBEE scorecard requirements. The contractor and its sub-contractors must incorporate national guidelines and regulatory such as those of the Construction Industry Development Board (CIDB) and the National Contractor Development Programme (NCDP).
- Incorporate a Labour and Business specification in the contractor's request for bids (RFBs).

9.6 General

It is recommended that the Social Management Plan (SMP) incorporate the Social Management related aspects emanating from the Socio-economic baseline study with reference to this report. In line with the outcomes of this report, a resourcing plan must be developed as part of the SMP.

It is furthermore recommended that these recommendation and related initiatives are aligned with the project needs, project transformation objectives and also responsive to local communities' expectations without undermining the overall project objective. It can also be noted that it is imperative that the proposed ISEMF and respective supporting management structure, policies, specifications, processes, procedures and the management system are developed and incorporated into the project specifications and requirements before issuing the construction contractors RFB to the market.

It is therefore recommended that the proposals and recommendation in this report are considered and approved for implementation to enable the development of the ISEMF and respective documentation.

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ANNEXURE A

LIST OF STUDY INTERVIEWEES

Stakeholders	Geographic spread	Sample no.	Names of organisations interviewed
Political parties / Municipal councillors	LLM & TLM	9	VFP Lephale VFP Thabazimbi ANC Lephale ANC Thabazimbi DA Lephale DA Thabazimbi EFF Lephale EFF Thabazimbi Thabazimbi Residents Association
Mayors	LLM & TLM	3	Thabazimbi Mayor Lephale Mayor Waterberg District Mayor
Traditional leaders	LLM	3	Ga-Seleka Tribal Authority Shongoane Tribal Authority Mapela Tribal Authority
Farmer's associations / Farm watch groups	broader project area	3	AgriSA Lephale Matlabas Forum Nkunzi Development Association
Irrigation Boards and Water User Associations	LLM & TLM	2	Hartebees Irrigation Board Magalies Water Board
NGOs / NPOs / CBOs	broader project area	24	Lephale Youth Council Lephale Youth Development Agency SANCO Youth Civilians on Patrol Marapong Youth Development Forum Nkuzi Development Association Sizamile Foundation Tshwaranang NPO Liswika Foundation Gameways NPO Thabazimbi CBO South African Children & Youth Development (SACYD) Lephale Unemployment Forum Waterberg Environmental Justice Forum Victim Empowerment Youth Civilians on Patrol Marapong Youth Development Forum Evergreen Art Center Thabang Children's Project Lephale Environmental Justice Forum Youth Itireleng Development Waterberg Women's Advocacy Organization Tsogang Lephale Youth Organization National Youth Development Agency
Business forums and chambers	LLM & TLM	9	Thabazimbi Business Chamber Lephale Development Forum Lephale RET Forum African Business Council Northam Contractors Association Thabazimbi Business Unity Limpopo United Business Forum Tshelammake Community/Youth Forum Waterberg Chamber of Business and Waterberg NAFCO
Parastatals, businesses and regulators	National	6	TCTA ESKOM (Medupi & Matimba) SANRAL RAL Transnet Consulting Engineers South Africa (CESA)
SAPS	LLM & TLM	4	South African National Police Service Lephale South African National Police Service Thabazimbi Bulgerivier Satellite police station Hoopdal Satellite police station
Community Policing Forums	TLM & LLM	2	Lephale Community Policing Forum Thabazimbi Community Policing Forum
Security Companies, including those employed by existing projects and organisations	LLM & TLM	6	Mulanga Security XXX Security/Ratang Holdings Wild Africa Security Ikatiseng Security Byl Security Monster Security
Municipal staff working on safety & security matters	LLM & TLM	2	Lephale Local Municipality Thabazimbi Local Municipality
Contractors	broader project area	2	Global Genesis Trading Clear Choice Builders
Mines	LLM & TLM	3	Boikarabelo Mine Rhino Andalusite Mine Kumbaya Resources Mine ArcelorMittal

Stakeholders	Geographic spread	Sample no.	Names of organisations interviewed
Landowners	immediate project area	16	Piet van Rensberg Toni Lorio Marius Coetzaa Dennis Stander Johannes Pretorius Danie Smith Willie de Swart T Reynecke Marius Coenraad Nicky Bothma Albre Badenhorst Abraham van Vuuren Bakie de Beer JP Grundlingh Tjaard Sauer Hendrick Pieterse
Fire protection services	LLM & TLM	1	Lephalale Fire Department
Faith-based organisations	broader project area	5	Apostolic Faith Mission Living Waters Fellowship Anglican Church of Southern Africa Wesley Methodist Church True Life Ministries Sui-Afrikaanse Vroue Federasie, Lephalale
Municipal LED division	LLM & TLM	2	Thabazimbi Local Municipality Lephalale Local Municipality
Association of farm dwellers	LLM & TLM	1	Food and Allied Workers Union
Schools	broader project area	7	Lephalale Primary School Tielelo Secondary School Mabogopedi Secondary School Deo Gloria Primary School Ysterberg Primary School Kesarona Primary School Groenvlei Secondary School
Government departments	LLM & TLM	2	Department of Social Development Department of Agriculture
Cooperatives / communal livelihood initiatives	LLM & TLM	8	Aganang Brick making cooperative Halocure PTY LTD Phaphamang Poultry and farming co-operative Bathaba Tshipi co operative Manketsetse Poultry Primary cooperative Galeboe Primary Poultry cooperative Rooiberg Multi purpose cooperative Godisanang Multi purpose Centre

ANNEXURE B

RESEARCH QUESTIONNAIRES

SOCIO-ECONOMIC BASELINE STUDY

MCWAP-2 BUSINESS REGISTRATION FORM

Question		Code	
1.	Full legal name of business	Open-Ended	<i>Make copy of CIPC document</i>
2.	Trading name (where applicable)	Open-Ended	
3.	Name and surname of business owner (s)	Open-Ended	
4.	Local Municipality (LM) in which business is located	Choose 1	a) Lephalale LM b) Thabazimbi LM
5.	Registered address of business		
	Complex name and unit number	Open-Ended	
	Street name and number	Open-Ended	
	Farm property name	Open-Ended	
	Suburb/Village	Open-Ended	
	City/Town	Open-Ended	
	Postal Code	Open-Ended	<i>Make copy of proof of business address</i>
6.	Type of business Entity	Choose 1	a) Sole Proprietorship b) Partnership c) Proprietary Limited company (Pty (Ltd)) d) Public Company e) Other. Specify
7.	What is your highest level of education? (Business owner)	Choose 1	a) None b) Some Primary c) Primary d) Some Secondary e) Matric f) Degree or diploma g) Post-graduate degree or higher diploma
8.	Email Address	Open-Ended	
9.	Website	Open-Ended	
10.	Phone numbers of owners	Open-Ended	
11.	Landline phone number	Open-Ended	
12.	Alternate phone number	Open-Ended	
13.	Year when business started operating	Open-Ended	

Question		Code	
14.	CIDB grading	Choose 1	<ul style="list-style-type: none"> a) 1 b) 2 c) 3 d) 4 e) 5 f) 6 g) 7 h) 8 i) 9
15.	BEE status	Choose 1	<ul style="list-style-type: none"> a) Verification certificate from ratings agency b) Sworn affidavit
16.	Industries in which business operates	Choose 1 or more	<ul style="list-style-type: none"> a) Agriculture, forestry and fishing b) Mining and quarrying c) Manufacturing d) Electricity, gas, steam and air conditioning supply e) Water supply, sewerage, waste management and remediation activities f) Construction g) Wholesale and retail trade, repair of motor vehicles and motorcycles h) Transportation and storage i) Accommodation and food service activities j) Information and communication k) Financial and insurance activities l) Real estate activities m) Professional, scientific and technical activities n) Administrative and support service activities o) Public administration and defence, compulsory social security p) Education q) Human health and social work activities r) Arts, entertainment and recreation s) Other service activities t) Activities of households as employers; undifferentiated goods-and-service-producing activities of households for own use u) Activities of extraterritorial organisations and bodies, not economically active people, unemployed people etc.

Question		Code	
17.	Annual turnover	Choose 1	a) Nil b) Nil - R100,000 c) R100,000 to R200,000 d) R200,00 - R500,000 e) R500,000 - R1 million f) R1 million - R5 million g) R5 million and R10 million h) R10 million - R20 million i) R20 million - R50 million j) R50 million - R100 million k) More than R100 million
18.	Administrative compliance CIPC registration number	Open-Ended	
19.	VAT registration Number	Open-Ended	
20.	UIF number	Open-Ended	
21.	PAYE number	Open-Ended	
22.	Tax Clearance Certificate (TCC)	Open-Ended	
23.	ID Copy	Open-Ended	<i>Make copy of TCC and ID</i>

SOCIO-ECONOMIC BASELINE STUDY

COMMUNITY DEVELOPMENT AND LIVELIHOODS NEEDS QUESTIONNAIRE

1 STAKEHOLDER 1 : COMMUNITY BASED ORGANISATIONS /SOE'S / MINES

Community Based Organisations	Interviewees
NGO / NPO's	Organisation leaders
Organised women's groups	Organisation leaders
Organised youth groups	Organisation leaders
Organised community groups	Group leaders
Cooperatives / communal livelihood initiatives	Group leaders
Faith Based Organisations engaged in community development / livelihood initiatives	Organisation leaders
Secondary, primary and pre-primary schools	Principal
Department of Social Development	Community development officer
Department of Agriculture	Extension officer
Mines	CSI / Community development manager
Eskom (Medupi and Matimba)	CSI / Community development manager
Transnet	CSI / Community development manager
Others	

1.1 Stakeholder 1 Questionnaire

Introduction Note: Hello. My name is I work for the Mokolo Crocodile Water Augmentation Project Phase 2 (MCWAP-2). We are running a survey to determine the community development programmes / initiatives / livelihood issues in the MCWAP-2 project area. A study was previously conducted to establish how the future water demands could be met which led to the development of the MCWAP Phase 1 Project. This project entailed bulk raw water transfer infrastructure, consisting of a pump station, 46 km of pipeline and support infrastructure. This pipeline has been operational since June 2015.

The project is now in its second phase, and as part of Phase 2 of the MCWAP project, water will be transferred from the Crocodile River (West) to the Lephalale area – *show on map*. The footprint of the proposed water transfer infrastructure is thus situated within both the Thabazimbi and Lephalale Local Municipalities, both of which fall within the Waterberg District Municipality.

An Environmental Authorisation was issued for the MCWAP-2 Project on 18 March 2019 but has been appealed by various stakeholders. The appeals process has not been finalised yet, but a decision will soon be made by the Department of Environment, Forestry and Fisheries. Notwithstanding the appeals process, the project is continuing with its planning stages, which includes certain investigations, such as the Environmental Baseline Studies. The Socio-economic baseline study forms part of the Environmental Baseline Studies.

If you decide to participate, your name will not be linked to anything you tell me as part of this interview. Your views will be treated with the strictest confidence. I am also not allowed to disclose anything you tell me in this interview to anyone, as legal action can be taken against me. Your answers will be put together with everyone else's, so no one will know who said what.

There are no right or wrong answers - your open and honest opinion is important. If there is a question that is uncomfortable for you, please say that you would rather not answer that question and I will continue with the rest of the interview.

This interview should take approximately 30 minutes without any interruptions.

Participation in this study is voluntary. Would you like to participate in this study?

	Thematic Area	Question	Type of Question	Options
1.	Demographic Information	District Municipality (DM)	Choose 1	a) Waterberg DM
2.		Local Municipality (LM)	Choose 1	a) Lephalale LM b) Thabazimbi LM
3.		Name of organisation	Open-ended	
4.		Gender of respondent	Choose 1	a) Male b) Female
5.		Age of respondent	Choose 1	a) 20-24 b) 25-29 c) 30-34 d) 35-39 e) 40-44 f) 45-49 g) 50-54 h) 55-59 i) 60-64 j) 65-69 k) 70-74 l) 75-79 m) 80 and older
6.		How many years have you been living or working in the area?	Choose 1	a) Less than 10 b) 10-20 c) 21-40 d) 41-60 e) More than 60
7.		How many years have you been with the organisation?	Choose 1	a) Less than 5 b) 5-10 c) 11-20 d) 21-30 e) More than 30
8.		What is your position in the organisation?	Open-ended	

	Thematic Area	Question	Type of Question	Options
9.	Implementation of MCWAP- 2	Are you aware of the MCWAP-2 project?	Choose 1	a) Yes b) No
10.		What do you think the benefits of the project will be?		Open-ended
11.		What is the emerging impact of the MCWAP-2 project on community development and people's livelihoods?		Open-ended
12.		What are the perceived challenges of the project? Describe this in relation to community development and people's livelihoods.		Open-ended
13.		Is your organisation in support of the project?		Open-ended
14.		If yes, why? If no, why?		Open-ended
15.		Who are the potential beneficiaries of this project?		Open-ended
16.		What are your main concerns with the project?		Open-ended
17.		What suggestions do you have for the project team?		Open-ended
18.		Who will be impacted positively by this project? How so?		Open-ended
19.		Who will be impacted negatively by this project? How so?		Open-ended
20.		How would you describe the socio-political climate in the area?		Open-ended
21.		What type of support can your organisation offer?		Open-ended
22.		What additional support do you need to fulfil your organisation's mandate?		Open-ended
23.		Which other businesses or projects have offered/provided support to your organisation?		Open-ended
24.		What types of support did they offer/provide?		Open-ended
25.		What is the gap in their support?		Open-ended
26.		Which programmes are you aware of that target the vulnerable and the elderly?		Open-ended
27.		How would you advise the MCWAP-2 to approach community development?		Open-ended

	Thematic Area	Question	Type of Question	Options
28.		If your organisation could support any community development or livelihood initiatives to implement in this area, which 3 would you support and why?		Open-ended
29.		What current community development and livelihood initiatives are you aware of? How successful have these projects been?		Open-ended

SOCIO-ECONOMIC BASELINE STUDY

**BUSINESSES, DISRUPTIVE BUSINESS FORUMS, EXISTING BUSINESS FORUMS,
AND COMMUNITY STRUCTURES QUESTIONNAIRE**

1 STAKEHOLDER 1: BUSINESS FORUMS / BUSINESSES /CHAMBERS / COMMUNITY STRUCTURES

Business Forums/Businesses	Interviewees
Thabazimbi Community Development Forum	Chairpersons or deputies Business Owners
Thabazimbi Business Chamber	
Lephalale Business Chamber	
Lephalale Sakekamer GrowSA	
Lephalale Development Forum	
Individual Businesses	
Others	

2 STAKEHOLDER 2: LOCAL AND TRADITIONAL AUTHORITIES

Government entities	Interviewees
Lephalale and Thabazimbi Local Municipality	Officials, e.g. Municipal managers Politicians, e.g. Mayors, Speakers, Ward councillors Tribal leaders, Headmen
Tribal / Traditional Authorities	
Others	

3 STAKEHOLDER 3: PARASTATALS, BUSINESSES AND REGULATORS

Parastatals, businesses and regulators	Interviewees
TCTA	Project Managers Directors Consultants Regulating managers Station Commanders
ESKOM	
SANRAL	
Mines	
RAL	
Transnet	
Consulting Engineers South Africa (CESA) South African Forum of Civil Engineering Contractors (SAFCEC)	
South African Institution of Civil Engineering (SAICE)	
SAPS	
National Key Point Joint Operation Committee (JOC)	
Others	

3.1 Stakeholder 1 Questionnaire: Business Forums / Businesses / Chambers / Community Structures

Introduction Note: Hello. My name is I work for the Mokolo Crocodile Water Augmentation Project Phase 2 (MCWAP-2). We are running a survey to determine the challenges relating to businesses and disruptive businesses in the MCWAP-2 project area. A study was previously conducted to establish how the future water demands could be met which led to the development of the MCWAP Phase 1 Project. This project entailed bulk raw water transfer infrastructure, consisting of a pump station, 46 km of pipeline and support infrastructure. This pipeline has been operational since June 2015.

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If you decide to participate, your name will not be linked to anything you tell me as part of this interview. Your views will be treated with the strictest confidence. I am also not allowed to disclose anything you tell me in this interview to anyone, as legal action can be taken against me. Your answers will be put together with everyone else's, so no one will know who said what.

There are no right or wrong answers - your open and honest opinion is important. If there is a question that is uncomfortable for you, please say that you would rather not answer that question and I will continue with the rest of the interview.

This interview should take approximately 30 minutes without any interruptions.

Participation in this study is voluntary. Would you like to participate in this study?

	Thematic Area	Question	Type of Question	Options
1.	Demographic Information	District Municipality (DM)	Choose 1	a) Waterberg DM
2.		Local Municipality (LM)	Choose 1	a) Lephalale LM b) Thabazimbi LM
3.		Name of organisation	Open-ended	
4.		Gender of respondent	Choose 1	a) Male b) Female
5.		Age of respondent	Choose 1	a) 20-24 b) 25-29 c) 30-34 d) 35-39 e) 40-44 f) 45-49 g) 50-54 h) 55-59 i) 60-64 j) 65-69 k) 70-74 l) 75-79 m) 80 and older
6.		How many years have you been living or working in the area?	Choose 1	a) Less than 10 b) 10-20 c) 21-40 d) 41-60 e) More than 60

	Thematic Area	Question	Type of Question	Options
7.	Organisational background	How many years have you been part of the traditional authority / municipality?	Choose 1	a) Less than 5 b) 5-10 c) 11-20 d) 21-30 e) More than 30
8.		What is your position in the traditional authority / municipality?	Choose 1	a) Chairperson / Director / Head b) Deputy Chairperson / Director / Head c) Manager: technical d) Manager: operations / finance e) Other. Specify
9.		What is the goal of the organisation?	Open-ended	
10.		What are some of your greatest successes in achieving your organisation's purpose?	Open-ended	
11.		Does your organisation support any public projects?	Choose 1	a) Yes b) No
12.		If yes, name and briefly describe the projects.	Open-ended	
13.		State the type of support you provide.	Select all applicable	a) Technical, including training b) Financial c) Institutional support d) Other
14.	Implementation of MCWAP- 2	Are you aware of the MCWAP-2 project?	Choose 1	a) Yes b) No
15.		Are there any unintended outcomes that may arise during the implementation of the project?	Choose 1	a) Yes b) No
16.		Please describe these.	Open-ended	
17.		What are the main reasons for these unintended outcomes?	Open-ended	
18.		What are your main concerns about the project?	Open-ended	

	Thematic Area	Question	Type of Question	Options
19.	Organisation's Perceptions	Are there any local business forums/community structures in your local area of operation that you are aware of?	Choose 1	a) Yes b) No
20.		Please list them and provide contact details.	Open-ended	
21.		What do they do?	Open-ended	
22.		Where do they implement their activities?	Choose 1	a) Within Lephalale / Thabazimbi Local Municipality b) Within the Waterberg District c) Specific villages / towns d) Other specify
23.		Are you aware of any business forum/ community disruptions to construction projects?	Choose 1	a) Yes b) No
24.		Please describe each incident in detail		
		a) When	Date Format (month and year)	
		b) Where	Open-ended	
		c) Name of project disrupted	Open-ended	
		d) Aim/type of project disrupted	Open-ended	
		e) Parties involved in disruption	Open-ended	
		f) Nature of the disruption	Open-ended	
25.		What were the outcomes of the disruptive activities?	Choose 1	a) Police prosecutions b) No police prosecutions c) Other. Specify d) I don't know
26.		How was the matter resolved?	Open-ended	
27.	How did the disrupted party respond?	Open-ended		
28.	What lessons can MCWAP-2 learn from these experiences?	Open-ended		

	Thematic Area	Question	Type of Question	Options
29.		What support can your organisation offer to the MCWAP-2 project?	Open-ended	
30.		What suggestions do you have for the project team for engaging with business forums?	Open-ended	
31.		Do you have a site disruption risk management strategy and plan in relation to new projects in the area? If yes, are you willing to share it with us?	Open-Ended	
32.		How would you describe the socio-political climate in the area?	Open-ended	
33.		How would you advise the MCWAP-2 to approach your organisation when such disruptive matters arise?	Open-ended	

3.2 Stakeholder 2 Questionnaire: Local and Traditional Authorities

Introduction Note: Hello. My name is I work for the Mokolo Crocodile Water Augmentation Project Phase 2 (MCWAP-2). We are running a survey to determine the issues relating to businesses and disruptive businesses in the MCWAP-2 project area. A study was previously conducted to establish how the future water demands could be met which led to the development of the MCWAP Phase 1 Project. This project entailed bulk raw water transfer infrastructure, consisting of a pump station, 46 km of pipeline and support infrastructure. This pipeline has been operational since June 2015.

The project is now in its second phase, and as part of Phase 2 of the MCWAP project, water will be transferred from the Crocodile River (West) to the Lephalele area – *show on map*. The footprint of the proposed water transfer infrastructure is thus situated within both the Thabazimbi and Lephalele Local Municipalities, both of which fall within the Waterberg District Municipality.

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There are no right or wrong answers - your open and honest opinion is important. If there is a question that is uncomfortable for you, please say that you would rather not answer that question and I will continue with the rest of the interview.

This interview should take approximately 30 minutes without any interruptions.

Participation in this study is voluntary. Would you like to participate in this study?

	Thematic Area	Question	Type of Question	Options
1.	Demographic and background Information	District Municipality (DM)	Choose 1	a) Waterberg DM
2.		Local Municipality (LM)	Choose 1	a) Lephalale LM b) Thabazimbi LM
3.		Name of local/traditional authority/municipality	Open-ended	
4.		Gender of respondent	Choose 1	a) Male b) Female
5.		Age of respondent	Choose 1	a) 20-24 b) 25-29 c) 30-34 d) 35-39 e) 40-44 f) 45-49 g) 50-54 h) 55-59 i) 60-64 j) 65-69 k) 70-74 l) 75-79 m) 80 and older
6.		How many years have you been living or working in the area?	Choose 1	a) Less than 10 b) 10-20 c) 21-40 d) 41-60 e) More than 60
7.		How many years have you been part of the traditional authority / municipality?	Choose 1	a) Less than 5 b) 5-10 c) 11-20 d) 21-30 e) More than 30

	Thematic Area	Question	Type of Question	Options
8.		What is your position in the traditional authority / municipality?	Choose 1	a) Traditional leader / Kgoshi b) Headman c) Political party leader d) Municipal mayor e) Municipal manager f) Ward councillor g) Other. Specify
9.	Implementation of MCWAP- 2	Are you aware of the MCWAP-2 project?	Choose 1	a) Yes b) No
10.		Are there any unintended outcomes that may arise during the implementation of the project?	Choose 1	a) Yes b) No
11.		Please describe these.	Open-ended	
12.		What are the main reasons for these unintended outcomes?	Open-ended	
13.		What are your main concerns with the project?	Open-ended	
14.		Are you aware of any business or community disruptions to construction projects?	Choose 1	a) Yes b) No
15.		Please describe each incident in detail		
		a) When	Date Format	
		b) Where	Open-ended	
		c) Name of project disrupted	Open-ended	
	d) Aim/type of project disrupted	Open-ended		
	e) Parties involved in disruption	Open-ended		
	f) Nature of the disruption	Open-ended		
16.		What were the outcomes of the disruptive activities?	Choose 1	a) Police prosecutions b) No police prosecutions c) Other. Specify d) I don't know

	Thematic Area	Question	Type of Question	Options
17.		How was the matter resolved?	Open-ended	
18.		How did the disrupted party respond?	Open-ended	
19.		What lessons can MCWAP-2 learn from these experiences?	Open-ended	
20.		What role did the local/traditional authority play in helping to resolve the disruptive behaviours listed above?	Open-ended	
21.		What support can the local/traditional authority provide in such matters for the MCWAP-2?	Open-ended	
22.		What suggestions do you have for the project team for engaging with business forums/ community structures?	Open-Ended	
23.		How would you describe the socio-political climate in the area?	Open-ended	
24.		How would you advise the MCWAP to approach your organisation when such disruptive matters arise?	Open-ended	
25.		What is the standard operating procedure for dealing with projects like MCWAP-2?	Open-ended	
26.		What support can your organisation offer to the MCWAP project?	Open-ended	
27.		What suggestions do you have for the project team for engaging with your organisation?	Open-ended	
34.		Do you have a site disruption risk management strategy and plan in relation to new projects in the area? If yes, are you willing to share it with us?	Open-Ended	
35.		How would you describe the socio-political climate in the area?	Open-ended	
36.		How would you advise the MCWAP to approach the business forum issue when it arises?	Open-ended	
37.		What is the standard operating procedure for dealing with projects like MCWAP-2 within your organisation?	Open-ended	

3.3 Stakeholder 3 Questionnaire: Parastatals, Businesses and Regulators

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This interview should take approximately 30 minutes without any interruptions.

Participation in this study is voluntary. Would you like to participate in this study?

	Thematic Area	Question	Type of Question	Options
1.	Demographic and background Information	District Municipality (DM)	Choose 1	a) Waterberg DM
2.		Local Municipality (LM)	Choose 1	a) Lephalale LM b) Thabazimbi LM
3.		Name of Parastatal/Business/Regulator	Open-ended	
4.		Gender of respondent	Choose 1	a) Male b) Female
5.		Age of respondent	Choose 1	a) 20-24 b) 25-29 c) 30-34 d) 35-39 e) 40-44 f) 45-49 g) 50-54 h) 55-59 i) 60-64 j) 65-69 k) 70-74 l) 75-79 m) 80 and older
6.		How many years have you been living or working in the area?	Choose 1	a) Less than 10 b) 10-20 c) 21-40 d) 41-60 e) More than 60
7.		How many years have you been part of the traditional authority / municipality?	Choose 1	a) Less than 5 a) 5-10 b) 11-20 c) 21-30 d) More than 30
8.		What is your position in the traditional authority / municipality?	Open-ended	

	Thematic Area	Question	Type of Question	Options
9.	Implementation of MCWAP- 2	Are you aware of the MCWAP-2 project?	Choose 1	a) Yes b) No
10.		Are there any unintended outcomes that may arise during the implementation of the project?	Choose 1	a) Yes b) No
11.		Please describe these.	Open-ended	
12.		What are the main reasons for these unintended outcomes?	Open-ended	
13.		What are your main concerns with the project?	Open-ended	
14.		Are you aware of any business or community disruptions to construction projects?	Choose 1	a) Yes b) No
15.		Please describe each incident in detail		
		a) When	Date Format	
		b) Where	Open-ended	
		c) Name of project disrupted	Open-ended	
		d) Aim/type of project disrupted	Open-ended	
		e) Parties involved in disruption	Open-ended	
		f) Nature of the disruption	Open-ended	
16.		What were the outcomes of the disruptive activities?	Choose 1	a) Police prosecutions b) No police prosecutions c) Other. Specify d) I don't know
17.		How was the matter resolved?	Open-ended	
18.		How did the disrupted party respond?	Open-ended	
19.		Is your organisation a parastatal or business? If yes, continue to question 20 (if no, questions will skip)	Choose 1	a) Yes b) No

	Thematic Area	Question	Type of Question	Options
20.		a) What lessons has your organisation learnt from experiencing such disruptive behaviour?	Open-ended	
		b) How have these lessons been incorporated into the way your organisation does business?	Open-ended	
		c) Provide an example	Open-ended	
		d) What have been the results of such adjustments to the way you do business?	Open-ended	
21.		Is your organisation a regulator? If yes, continue to question 22. (if no, skip question 22.)	Choose 1	a) Yes b) No
22.		a) What has your organisation done to help those in the construction industry address and prevent incidences of disruptive behaviour?	Open-ended	
		b) How successful have these interventions been?	Open-ended	
		c) Please provide examples of where your interventions have been successful.	Open-ended	
		d) Provide examples of where your interventions have not been successful.	Open-ended	
23.		What more needs to be done to prevent disruptive behaviour on construction projects?	Open-ended	
24.		What lessons can MCWAP-2 learn from these experiences?	Open-ended	
25.		What role did your organisation play in helping to resolve the disruptive behaviours listed above?	Open-ended	
26.		What support can your organisation offer to the MCWAP-2 project?	Open-ended	

	Thematic Area	Question	Type of Question
27.		What suggestions do you have for the project team for engaging with your organisation?	Open-Ended
28.		Do you have a site disruption risk management strategy and plan in relation to new projects in the area? If yes, are you willing to share it with us?	Open-ended
29.		How would you describe the socio-political climate in the area?	Open-ended
30.		How would you advise the MCWAP-2 to approach your organisation when such matters arise?	Open-ended
31.		What is the standard operating procedure for dealing with projects like MCWAP-2?	Open-ended
32.		What suggestions do you have for the project team for engaging with your organisation?	Open-ended

SOCIO-ECONOMIC BASELINE STUDY

SECURITY PROFILING QUESTIONNAIRE

1 STAKEHOLDER 1 : SECURITY ORGANISATIONS / SOE'S / MINES / INDIVIDUALS

Security Organisation	Interviewees
<ul style="list-style-type: none">South African Police Station	Senior police officials
<ul style="list-style-type: none">Community Police Forum (CPF)	CPF leaders or deputies
<ul style="list-style-type: none">Private Security Companies	Reaction team leaders
<ul style="list-style-type: none">Security Companies employed by existing projects and organisations	Senior managers Owners
<ul style="list-style-type: none">National Key Point Joint Operations Committee (JOC)	Representative
<ul style="list-style-type: none">Farm Watch Groups / Organisations	Representative
<ul style="list-style-type: none">Eskom (Medupi & Matimba)	Head of security
<ul style="list-style-type: none">Transnet	Head of security
<ul style="list-style-type: none">Mines	Head of security
<ul style="list-style-type: none">Individual landowners on the project footprint	Landowner
<ul style="list-style-type: none">Others	

1.1 Stakeholder 1 Questionnaire: Security Organisations / SoE's / Mines / Individuals

Introduction Note: Hello. My name is I work for the Mokolo Crocodile Water Augmentation Project Phase 2 (MCWAP-2). We are running a survey to determine the challenges relating to security issues in the MCWAP-2 project area. A study was previously conducted to establish how the future water demands could be met which led to the development of the MCWAP Phase 1 Project. This project entailed bulk raw water transfer infrastructure, consisting of a pump station, 46 km of pipeline and support infrastructure. This pipeline has been operational since June 2015.

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This interview should take approximately 30 minutes without any interruptions.

Participation in this study is voluntary. Would you like to participate in this study?

	Thematic Area	Question	Type of Question	Options
1.	Demographic Information	District Municipality (DM)	Choose 1	a) Waterberg (DM)
2.		Local Municipality (LM)	Choose 1	a) Lephalale LM b) Thabazimbi LM
3.		Name of organisation	Open-ended	
4.		Gender of respondent	Choose 1	a) Male b) Female
5.		Age of respondent	Choose 1	a) 20-24 b) 25-29 c) 30-34 d) 35-39 e) 40-44 f) 45-49 g) 50-54 h) 55-59 i) 60-64 j) 65-69 k) 70-74 l) 75-79 m) 80 and older
6.		How many years have you been living or working in the area?	Choose 1	a) Less than 10 b) 10-20 c) 21-40 d) 41-60 e) More than 60
7.		How many years have you been with the organisation?	Choose 1	a) Less than 5 b) 5-10 c) 11-20 d) 21-30 e) More than 30

	Thematic Area	Question	Type of Question	Options
8.		What is your position in the organisation?	Choose 1	a) Chairperson / Director / Owner b) Deputy Chairperson / Director / Head c) Manager: technical d) Manager: operations / finance e) Police station commander f) Police commissioner g) Other. Specify
9.	Implementation of MCWAP-2	Are you aware of the MCWAP-2 project?	Choose 1	a) Yes b) No
10.		In your opinion, what are the strengths of the project?		Open-ended
11.		What is the emerging impact of the MCWAP-2 project on the security of the project area?		Open-ended
12.		What are the perceived challenges of the project?		Open-ended
13.		What are the perceived challenges in relation to safety and security? Describe this in relation to local communities, project personnel and the project site.		Open-ended
14.		Is your organisation in support of the project?	Choose 1	a) Yes b) No
15.		If yes, why? If no, why not?		Open-ended
16.		What type of support can your organisation offer?		Open-ended
17.		Who are the potential beneficiaries of this project?		Open-ended
18.		What are your main concerns with the project?		Open-ended
19.		What suggestions do you have for the project team regarding security?		Open-ended
20.		How would you describe the socio-economic climate in the area?		Open-ended
21.		What do you think the impact of crime will be in the affected communities?	Open-ended	
22.		Why would you say so?		Open-ended

	Thematic Area	Question	Type of Question	Options
23.		What are the main security organisations in the area?		Open-ended
24.		What measures are being used to prevent or reduce crime in the project area?		Open-ended
25.		What is the extent and measures that are being used to reduce vandalism and theft?		Open-ended
26.		How have the different communities been impacted by the different projects that have been implemented in the area?		Open-Ended
27.		Is there much conflict between people in the community or in specific places? What causes this conflict and can you give concrete examples?		Open-Ended
28.		How is this type of conflict resolved (if at all)?		Open-Ended
29.		Have there been instances of mob justice against corporates or service providers? What happened? <i>(Definition of mob justice: communities taking the law into their own hands)</i>		Open-Ended

SOCIO-ECONOMIC BASELINE STUDY

SOCIO-POLITICAL QUESTIONNAIRE

1 OVERVIEW

1.1 SOCIO-POLITICAL CLIMATE QUESTIONNAIRE

1.1.1 Stakeholder 1 : Political Parties / Civic Groups

Political Parties	Interviewees
African National Congress (ANC)	Regional leader or deputy
Democratic Alliance (DA)	Regional leader or deputy
Economic Freedom Front (EFF)	Regional leader or deputy
Thabazmbi Residents Association	Association leader
Lephalale Residents Association	
Vryheidsfront Plus	Regional leader or deputy
South African National Civic Organisation (SANCO)	Regional leader or deputy
Traditional Leaders	Kgoshi's or headman
Others	

1.1.2 Stakeholder 2 : Agricultural / Irrigation Associations

Associations	Interviewees
Farmers Association Boards	Farmers Association Chairperson
Irrigation Boards and WUAs	Farmers Association Board members
Women's Groups	Group leaders
Youth Groups	Group leaders
Others	

1.1.3 Stakeholder 3: Pressure Groups

Community Groups	Interviewees
South African Children and Youth Development Organisation (SACYD)	Chairperson
Lephalale Unemployment Forum	Chairperson or deputy
Activist Groups in the area	Group leaders or deputies
Others	

a) Stakeholder 1 Questionnaire: Political Parties / Civic Groups

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This interview should take approximately 30 minutes without any interruptions.

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	Thematic Area	Question	Type of Question	Options
1.	Demographic and Background Information	District Municipality (DM)	Choose 1	a) Waterberg DM
2.		Local Municipality (LM)	Choose 1	a) Lephalale LM b) Thabazimbi LM
3.		Name of organisation	Open-ended	
4.		Gender of respondent	Choose 1	a) Male b) Female
5.		Age of respondent	Choose 1	a) 20-24 b) 25-29 c) 30-34 d) 35-39 e) 40-44 f) 45-49 g) 50-54 h) 55-59 i) 60-64 j) 65-69 k) 70-74 l) 75-79 m) 80 and older
6.		How many years have you been living or working in the area?	Choose 1	a) Less than 10 b) 10-20 c) 21-40 d) 41-60 e) More than 60
7.		How many years have you been with the organisation?	Choose 1	a) Less than 5 b) 5-10 c) 11-20 d) 21-30 e) More than 30
8.		What is your position in the organisation?	Open-ended	
9.	Implementation of MCWAP- 2	Are you aware of the MCWAP-2 project?	Choose 1	a) Yes
10.				b) No

	Thematic Area	Question	Type of Question	Options
11.		Are there any unintended outcomes that may arise during the implementation of the project?	Choose 1	a) Yes b) No
12.		Please describe these.	Open-ended	
13.		What are the main reasons for these unintended outcomes?	Open-ended	
14.		Has there been local unrest in the past 5 years?	Choose 1	a) Yes b) No
15.		If Yes, what were the main reason for the unrest?	Open-ended	
16.		What measures are being used to contain public protests?	Open-ended	
17.		Are there significant cases of theft and vandalism?	Choose 1	a) Yes b) No
18.		What measures are being used to avoid vandalism and theft?	Open-Ended	
19.		How have the different communities been impacted by the different construction projects that have been implemented in the area?	Open-Ended	
20.		Are there construction projects of the same nature in this place?	Open-Ended	
21.		How would you describe the socio-political climate in the area?	Open-Ended	
22.		Is the context conducive for implementing a project of this nature?	Open-Ended	
23.		What will be your main concerns with a project like MCWAP-2? Please explain.	Open-Ended	
24.		What measures do you think should be put in place to reduce socio-political tensions when implementing MCWAP-2 (if any)?	Open-Ended	
25.		What support is your organisation willing to provide during the different phases of the MCWAP-2?	Open-Ended	

	Thematic Area	Question	Type of Question	Options
26.	Political parties and influence in the area/Political factions	To what extent are political parties likely to influence implementation of MCWAP-2?	Open-Ended	
27.		Are dynamics such as factions, tensions, alliances, and collusions prevalent in the area that are likely to interfere with implementation of MCWAP-2?	Open-Ended	
28.		If so, what are they and between which entities?	Open-Ended	
29.		Given your knowledge of this community/area, is the project likely to face disruptions during construction?	Choose 1	a) Yes b) No
30.		What could be reasons? Probe	Open-Ended	
31.		Do communities anticipate or expect benefits from a project of this nature? Please explain.	Open-Ended	
32.	2021 Election	Are there any risks that may arise due to the 2021 local government elections?	Open-Ended	
33.		How will these risks impact the project?	Open-Ended	
34.		How do you suggest such risks be mitigated?	Open-Ended	

b) Stakeholder 2 Questionnaire: Agricultural / Irrigation Associations

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Participation in this study is voluntary. Would you like to participate in this study?

	Thematic Area	Question	Type of Question	
1.	Demographic Information	District Municipality (DM)	Choose 1	a) Waterberg DM
2.		Local Municipality (LM)	Choose 1	a) Lephalale LM b) Thabazimbi LM
3.		Name of organisation	Open-ended	
4.		Gender of respondent	Choose 1	a) Male b) Female
5.		Age of respondent	Choose 1	a) 20-24 b) 25-29 c) 30-34 d) 35-39 e) 40-44 f) 45-49 g) 50-54 h) 55-59 i) 60-64 j) 65-69 k) 70-74 l) 75-79 m) 80 and older
6.		How many years have you been living or working in the area?	Choose 1	a) Less than 10 b) 10-20 c) 21-40 d) 41-60 e) More than 60
7.		How many years have you been with the organisation?	Choose 1	a) Less than 5 b) 5-10 c) 11-20 d) 21-30 e) More than 30

	Thematic Area	Question	Type of Question	Options
8.		What is your position in the organisation?	Choose 1	a) Chairperson / Director / Head b) Deputy Chairperson / Director / Head c) Manager: technical d) Manager: operations / finance e) Other. Specify
9.	Implementation of MCWAP- 2	Are you aware of the MCWAP-2 project?	Choose 1	a) Yes b) No
10.		Are there any unintended outcomes that may arise during the implementation of the project?	Choose 1	a) Yes b) No
11.		Please describe these.	Open-ended	
12.		What are the main reasons for these unintended outcomes?	Open-ended	
13.		In your opinion, what are the strengths of the project?	Open-ended	
14.		What are the perceived challenges of the project?	Open-ended	
15.		Is your organisation in support of the project?	Choose 1	a) Yes b) No
16.		If yes, why If no, why	Open-ended	
17.		What support is your organisation willing to provide during the different phases of the project? Please detail.	Open-ended	
18.		Who are the beneficiaries of this project?	Open-ended	
19.		What are your main concerns with the project?	Open-ended	
20.		What suggestions do you have for the project team in implementing this project?	Open-ended	
21.		How would you describe the socio-political climate in the area?	Open-ended	
22.	How will members in your association be impacted by the project?	Open-ended		

	Thematic Area	Question	Type of Question	Options
23.		What impact will the project have on irrigation/farming in the area?	Open-ended	
24.		How will the project benefit members in your organisation?	Open-ended	

c) Stakeholder 3 Questionnaire: Pressure Groups

Introduction Note: Hello. My name is I work for the Mokolo Crocodile Water Augmentation Project Phase 2 (MCWAP-2). We are running a survey to determine the challenges relating to socio-political issues in the MCWAP-2 project area. A study was previously conducted to establish how the future water demands could be met which led to the development of the MCWAP Phase 1 Project. This project entailed bulk raw water transfer infrastructure, consisting of a pump station, 46 km of pipeline and support infrastructure. This pipeline has been operational since June 2015.

The project is now in its second phase, and as part of Phase 2 of the MCWAP project, water will be transferred from the Crocodile River (West) to the Lephalale area – *show on map*. The footprint of the proposed water transfer infrastructure is thus situated within both the Thabazimbi and Lephalale Local Municipalities, both of which fall within the Waterberg District Municipality.

An Environmental Authorisation was issued for the MCWAP-2 Project on 18 March 2019 but has been appealed by various stakeholders. The appeals process has not been finalised yet, but a decision will soon be made by the Department of Environment, Forestry and Fisheries. Notwithstanding the appeals process, the project is continuing with its planning stages, which includes certain investigations, such as the Environmental Baseline Studies. The Socio-economic baseline study forms part of the Environmental Baseline Studies.

If you decide to participate, your name will not be linked to anything you tell me as part of this interview. Your views will be treated with the strictest confidence. I am also not allowed to disclose anything you tell me in this interview to anyone, as legal action can be taken against me. Your answers will be put together with everyone else's, so no one will know who said what.

There are no right or wrong answers - your open and honest opinion is important. If there is a question that is uncomfortable for you, please say that you would rather not answer that question and I will continue with the rest of the interview.

This interview should take approximately 30 minutes without any interruptions.

Participation in this study is voluntary. Would you like to participate in this study?

	Thematic Area	Question	Type of Question	Options
1.	Demographic Information	District Municipality (DM)	Choose 1	a) Waterberg (DM)
2.		Local Municipality (LM)	Choose 1	a) Lephalale LM b) Thabazimbi LM
3.		Name of organisation	Open-ended	
4.		Gender of respondent	Choose 1	
5.		Age of respondent	Choose 1	a) 20-24 b) 25-29 c) 30-34 d) 35-39 e) 40-44 f) 45-49 g) 50-54 h) 55-59 i) 60-64 j) 65-69 k) 70-74 l) 75-79 m) 80 and older
6.		How many years have you been living or working in the area?	Choose 1	a) Less than 10 b) 10-20 c) 21-40 d) 41-60 e) More than 60
7.		How many years have you been with the organisation?	Choose 1	a) Less than 5 b) 5-10 c) 11-20 d) 21-30 e) More than 30
8.		What is your position in the organisation?	Open-ended	

	Thematic Area	Question	Type of Question	Options
9.	Implementation of MCWAP- 2	Are you aware of the MCWAP-2 project?	Choose 1	a) Yes b) No
10.		In your opinion, what are the strengths of the project?	Open-ended	
11.		What are the perceived challenges of the project?	Choose 1	a) Yes b) No
12.		Is your organisation in support of the project?	Choose 1	a) Yes b) No
13.		If yes, why? If no, why?	Open-ended	
14.		What support can your organisation offer?	Open-ended	
15.		Who are the beneficiaries of this project?	Open-ended	
16.		What are your main concerns with the project?	Open-ended	
17.		What suggestions do you have for the project team?	Open-ended	
18.		How would you describe the socio-political climate in the area?	Open-ended	
19.		How have the different communities been impacted by the different projects that have been implemented in the area?	Open-ended	
20.		What attributes to the high levels of unemployment in the area? (Indicate the level of unemployment/under employment in the area/community)	Open-ended	
21.		Has there been unrest in the community/area? What has been the cause of unrest in the area?	Open-ended	
22.		How is your relationship with the municipal office? On a scale of 1-5 how would you rate your relationship overall with the municipality?	Choose 1 1 – Excellent 2 – Good 3 – Average 4 – Bad 5 – Dismal	
23.	How do you envision the project benefiting the youth in the area?	Open-Ended		

	Thematic Area	Question	Type of Question	Options
24.		What mechanisms does the project need to put in place to ensure that youth and the unemployed benefit?	Open-Ended	
25.		What measures do you think should be put in place to ensure transparency to allow equal opportunity for the proposed MCWAP-2?	Open-Ended	
26.		What innovative ways can the project enhance employment opportunities?	Open-Ended	