



## IN PROFILE:

# THE INTERSECTION OF PARTICIPATORY GOVERNANCE AND SOCIAL LABOUR PLANS IN COMMUNITIES WITHIN MINING TOWNS: THE EXPERIENCES OF SIKHULULIWE VILLAGE IN MPUMALANGA

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Planact's underpinning values of equity, accountability, the promotion of social justice and inclusivity have significantly shaped its work in facilitating community development processes in low-income communities. Central to this work is Planact's Participatory Governance Programme which promotes participatory processes at local government level to improve people's habitable environment and alleviate poverty. In 2015, Planact extended its Participatory Governance Programme to small mining towns in Mpumalanga Province – Sikhululiwe Village and Rockdale in Steve Tshwete Local Municipality and Breyten and Chrissiesmeer in Msukaligwa Local Municipality. Planact's decision was prompted by the realisation that, despite the economic importance of the mining industry, communities in mining towns struggle to make their voices heard in decision-making processes, particularly so in the case of Sikhululiwe Village, which will be the focus of this paper.

THIS INABILITY OF mining communities to claim this space results in disengagement from local governance processes, which ultimately leads to the communities' failure to exercise their constitutional rights in socio-economic development processes. Some of the affected communities in the mining towns relinquish their right to contest and refrain from voicing their needs and dissent publicly – a situation leading to 'deflated' spaces. These communities are often characterised by a sense of hopelessness and people retreat from the public space and tend not to challenge the status quo (Curtis 2008).

Planact's Participatory Governance Programme is based on the premise that communities in mining towns need to play an active role in engaging mining companies to ensure corporate social responsibility and social investment. For this reason, communities need to be well equipped and organised to adequately engage mining corporations. Capacity building in communities enhances their understanding about their rights, roles and responsibilities in holding

the mining company, municipalities and themselves responsible for sustainable development. On this basis, the programme has three objectives, namely, a) capacity building focussing on empowering communities on their democratic rights in relation to Social and Labour Plans, tax policy and legislation, b) training communities to be active citizens and beneficiaries of improved information flow between the mines, the municipality and the community, and c) engaging mines on the processes followed in the development of the Corporate Social Investment/ Implementation Plan.

## LEGISLATION GUIDING COMMUNITY PARTICIPATION IN MINING TOWNS

The Constitution of South Africa, 2006 (sections 44(2), 155 (6)(a) and 155 (7)), stipulates that all legislative process should follow a participatory democratic framework for the active involvement and participation of its citizens. Likewise, the legislation

governing mining also emphasises community participation and includes the Minerals, Petroleum Resource Development Act (2008), The Broad Based Black Economic Empowerment Mining Charter (2010), and Social and Labour Plans.

The main objective of SLPs is to promote economic growth and employment and advance social welfare through ensuring that mining companies contribute towards the socio-economic development of the communities. SLPs are developed in a five year cycle to coincide with Integrated Development Plans (IDPs) for the local municipality, and are binding.

In theory, the SLP is developed in consultation with the affected mining community, mine workers and the local municipality. Mining corporations also have to work closely with communities to identify Local Economic Development initiatives. In terms of housing relocation and design, an SLP stipulates how it will

- a) address the influx of people from the surrounding areas who move to mining towns looking for work,
- b) provide housing for migrant mine-workers and
- c) provide infrastructural support for housing.

However, Planact has observed that, in practice, the SLP guidelines are violated by some mining corporations who may even outsource the formulation of SLPs to consultants. Consultation and community participation is minimal and weak and communities increasingly withdraw from this democratic space.

## SOCIAL AUDIT: FORMULATION OF SLPs IN SIKHULULIWE VILLAGE

Sikhululiwe is a village of approximately 250 households, located 56 kilometres from Middelburg in Mpumalanga Province. These households were relocated from farms to make way for the mining industry. Sikhululiwe is characterised by low levels of economic activity and a high rate of unemployment. The village lacks basic services such as water and proper sanitation.

To understand the relationship between the community, the mine and the local municipality and to be able to determine SLPs' impact on the community, Planact conducted a social audit (January-February 2016) in Sikhululiwe Village, where the local mine, Exxaro, was involved in a housing project that involved 83 houses being built for the aged, the disabled and child-headed households. This housing project became the focus of the social audit.

In the beginning of the social audit, Exxaro did not trust the intentions of Planact and were not keen to engage with Planact regarding their SLPs. The reluctance to participate in the social audit prompted Planact to change its focus and explore the relationship between Exxaro and the Sikhululiwe Village instead, focussing on the democratic practices as experienced by the community during the development and identification of projects in the SLP.

To fulfil the purpose of the social audit, data regarding participation between the mine and the community on designing, construction and allocation of housing was collected. The following issues were investigated:

- a) The engagement between the mine and the community in the identification of beneficiaries, consultation on the design of houses and prioritisation of needs (physical verification)<sup>1</sup>.
- b) The community's experience relating to engagement with the mines.
- c) The perceptions of the community regarding the mine's contribution to local economic development.

Fifty of the 83 beneficiaries of Exxaro houses were interviewed. Out of the 250 households in the general community, 89 additional households participated in the interviews. A focus group discussion<sup>2</sup> was also held with 10 community members. To gain a better understanding of the relationship between Exxaro

and the community, the social audit team further interviewed the Local Economic Development (LED) Officers from Exxaro who were responsible for the implementation of the SLP.

### SOCIAL AUDIT FINDINGS

The findings demonstrate an inability of communities to effectively participate in decisions regarding their needs. They also reveal a lack of consultation with the community during the development of SLPs by the mining corporations. Below are some of the findings:

- ✦ Exxaro did not meet with the community to discuss the SLP and the housing project. Instead, it communicated with the ward councillor, Johannes Matshiane, on all issues relating to community needs, thus, frustrating the community.
- ✦ Exxaro confirmed that the Sikhululiwe Village community was excluded on the list of stakeholders that were consulted when it developed the SLP.
- ✦ Both the municipality and Exxaro do not promote the engagement and participation of communities in SLPs.
- ✦ The LED department reinforced the allegations by the community that access to Exxaro was only through the ward councillor.
- ✦ The absence of participatory engagement in the development of SLPs results in frustrated and hopeless communities which withdraw from the democratic space.
- ✦ Despite the community's exclusion from the design and development processes, most community members were happy that they now had a house with electricity.

The social audit revealed that the lack of clarity regarding participation and engagement reinforces power imbalances between the community and mining corporations, and between the ward councillor and

the community. It also illustrates the politicisation of the mining industry, resulting in a situation where those in power are consulted and speak on behalf of those who hold little or no power. The Centre for Applied Legal Studies observes a tendency by mining companies to consult a “narrow range of local stakeholders who are typically the most powerful in the community” (CALs 2016: 96), thus excluding the greater community.

In the absence of clear guidelines on participatory engagement in the SLPs, it is essential that NGOs such as Planact enable communities to take advantage of participatory processes. The facilitation process might improve joint working between the mines and the local municipality, leading to their effective engagement in the SLP and IDP processes. Since SLPs are embedded in the IDPs of municipalities in mining areas, municipalities should promote opportunities for communities to engage and negotiate with the SLPs and configure prioritised projects.

### CONCLUSION

Participatory processes and practices are imperative for communities in mining towns to promote active engagement with mining corporations and municipalities on their needs and priorities. A culture of genuine participation, involving community input in the decision-making processes, needs to be nurtured by both mining corporations and the government to ensure democracy and illuminate the concerns, perspectives and priorities of communities. Genuine participation can positively benefit communities and replace long entrenched patterns of non-participation. As demonstrated by the experiences of Sikhululiwe Village, communities' involvement in the development of SLPs and the prioritising and inclusion of their needs are of paramount importance to the residents' socio-economic development.

## REFERENCES

Centre for Applied Legal Studies (2016) *The Social and Labour Plan Series: Phase 1: System design*. Centre for Applied Legal Studies. Johannesburg: University of Witwatersrand.

Curtis M (2008). *Precious metal: the impact of Anglo Platinum on poor communities in Limpopo, South Africa*. [https://www.actionaid.org.uk/sites/default/files/doc\\_lib/angloplats\\_miningreport\\_aa.pdf](https://www.actionaid.org.uk/sites/default/files/doc_lib/angloplats_miningreport_aa.pdf).

## NOTES

<sup>1</sup> Community (2016, Jan-Feb). Physical Verification (social audit).

<sup>2</sup> Focus group (2016, February 2). Do the mines impact on your livelihoods?