



**ANGLO
COAL**



Goedehoop Colliery: S·E·A·T Report

Socio-Economic Assessment Toolbox Report



S•E•A•T

Socio-Economic Assessment Toolbox Report



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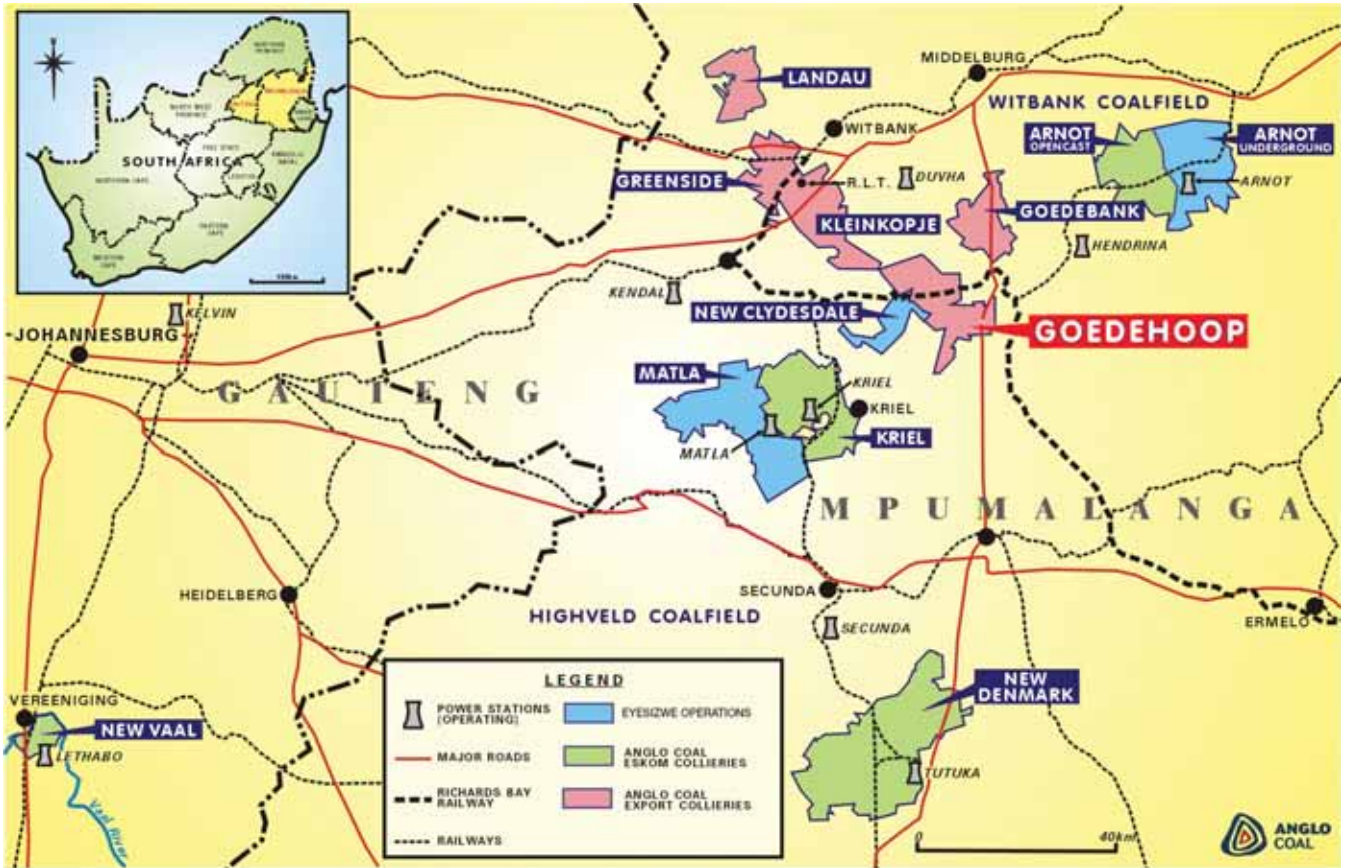
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ANGLO COAL'S SOUTH AFRICAN OPERATIONS



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EXECUTIVE SUMMARY

1. Introduction

The aim of the socio-economic assessment tool (SEAT) process is to support Anglo Coal's approach towards improving the management of the social and economic impact of the mine and its operation, which has become an increasingly important public policy issue. It is thus part of Goedehoop Colliery's strategy to balance the depletion of natural resources with an enhancement of the human and social capital of the neighbouring community.

2. Objectives and approach

The SEAT process has been instrumental in identifying key stakeholders who have expressed their expectations and concerns. This has helped the mine to establish partnerships with neighbouring communities and other relevant local institutions which will have positive socio-economic spin-offs in these communities. Goedehoop was one of two Anglo Coal mines selected to produce reports based on a socio-economic assessment toolbox and the SEAT process for Goedehoop was implemented between September and December 2004. Two other collieries, represented by their relevant officials, were invited to participate in stakeholder interviews. The management at Goedehoop has responded to the issues raised and a plan of action has been developed.

3. Overview of the Operation

Goedehoop Colliery has a lifespan of about twenty years. The SEAT process has helped the mine to begin gaining a better understanding of its impact and the dynamics in the area, and developing strategies to manage these. The process is also aimed at planning for mine closure; this will help alleviate the problems of joblessness and "ghost towns", which are burning issues with the government.

Goedehoop's focus on safety, health and the environment (SHE) goes hand in hand with high levels of production, an emphasis that is supported by the mines' leadership. Programmes such as "Yebo Siyaphambili" and the diversity programme are prioritised and significantly enhance Goedehoop's status as Anglo Coal's "flagship mine" where people are put first.

4. Overview of neighbouring communities

Goedehoop operates in the local municipalities of Emalahleni and Steve Tshwete in the Nkangala District Municipality. Key economic activities include mining, power generation,

manufacturing, construction, transport, tourism and community services. According to the results of Census 2001, the population in the Nkangala District Municipality was then about 1,02 million. The census also indicated that the percentage of the local population with tertiary qualifications was low, creating a challenge for mine management to help build the capacity of its existing and future employees.

5. Impact of Goedehoop Colliery on communities

Goedehoop draws its labour force throughout the SADC (Southern African Development Community). Approximately 84% of the colliery's employees are South Africans, with the balance being from SADC countries such as Mozambique, Lesotho, Swaziland and Zimbabwe.

Goedehoop supports a number of community projects in its neighbourhood that are helping to create sustainable livelihoods. Funds are provided for training and infrastructure, with a sum of R668 295 being spent in the past twelve months. The mine supports and encourages the establishment of small businesses by historically disadvantaged South Africans (HDSA).

The mine is committed to education and encourages its employees and their families to attend ABET (Adult Basic Education and Training) classes. The dependants of Goedehoop's employees are provided with transport to attend school in Witbank, Kroonfontein and Rietspruit. Children from the farming communities are assisted with transport to attend the mine school. Goedehoop also supports a pre-primary school by funding its maintenance, salaries for six educators, educational tours, nutrition, security and transport. Children attending the Teddy Bear and Springbok Primary School are provided with lunch packs and soft drinks daily.

The mine provides and maintains facilities for the communities' social development activities. These include an entertainment centre, an engineering workshop, two shopping complexes, two liquor outlets, a community hall, two church buildings, and two recreational clubs with sub-club facilities.

Goedehoop funds a voluntary counselling and testing programme (VCT) as part of its investment in the HIV/AIDS awareness campaign. Ninety percent of employees and 226 other members of the community have participated in this programme and know their HIV/AIDS status. The mine provided anti-retroviral treatment (ART) to 169 employees during 2004.

In line with Anglo Coal's policies on supporting black economic empowerment (BEE) companies, Goedehoop has given work to twenty-two BEE companies that provide services to the mine, spending R845 285 on these contractors.

6. Issues raised by stakeholders and management responses

During the SEAT process, stakeholders raised a number of issues requiring Goedehoop's attention. These varied from communication, poverty and joblessness to contributing to local and district municipalities' IDPs (see Table 6.1).

7. Indicators and monitoring

The SEAT process allowed for the development of key performance indicators comparable at corporate level and local key performance indicators comparable at company level:

- A minimum of 10% of the mining workforce to be women;
- A minimum of 40% HDSA participation at management level;
- 100% VCT and ART enrolment;
- Reduction in HIV/AIDS infection rates;
- Partnership with the Departments of Health, Labour and others to roll out health programmes to farming and other communities;
- Effective community engagement plan and sustainable community projects (self-sufficient SMMEs);
- Increased number of BEE companies;
- Increased percentage of projects or new businesses;
- More people trained and using skills developed for their livelihoods;
- Goedehoop's financial contribution on social investment.

8. Assessing performance in relation to Anglo American policies

Goedehoop has assessed its performance in relation to Anglo American's Good Citizenship Principles, SHE Policy, and Management Principles. Elements within each of these have been identified as being of relevance to this assessment and it is against these that Goedehoop has judged its performance. The outcome of this diagnosis will be a clear statement of the level at which Goedehoop is currently performing and the steps that need to be carried out in order to improve.

9. Additional activities to be conducted by Goedehoop

Goedehoop has identified a number of activities required to complete the SEAT process as part of its ongoing social performance. These include:

- Sharing the results of the SEAT process with stakeholders;
- Planning for closure of the mine;
- Finalising the human development plan;
- Integrating the community development project plan into the IDPs of the local and district municipalities; and
- Continuous integration with relevant stakeholders.

10. Limited Tax and Revenue

In the 2003/2004 financial year, Goedehoop paid R167 640 037 in taxes.

1 INTRODUCTION

1.1 Preamble

The (SEAT) process for Goedehoop is aimed at strengthening the relationship between the colliery and its stakeholders, which include the neighbouring communities. This relationship is governed by how stakeholders perceive the colliery and the way it applies the principles of “Batho Pele” (putting people first). Goedehoop was one of two Anglo Coal mines selected to implement a SEAT process and produce a report. This will provide the colliery and its stakeholders with an instrument for identifying social responsibility challenges that require strategic intervention, as well as measuring achievements.

1.2 Objective

The foremost objective of this SEAT report is to review the existing social responsibility programme of Goedehoop and its effects on the community. This will form a basis for future implementation of the colliery’s social management systems.

1.3 The structure of this report

- Part 1: Introduction.
- Part 2: Objectives and approach followed at Goedehoop in collecting and collating the information.
- Part 3: Overview of the operation and social management system, including background information, organisational structure and leadership at Goedehoop.
- Part 4: Description of the neighbouring communities.
- Part 5: Goedehoop’s impact on its neighbouring communities.
- Part 6: Key issues raised by stakeholders during the consultation process, as well as actions and management responses.
- Part 7: Indicators developed during the SEAT process, and how these can be used to monitor the operation’s socio-economic performance.
- Part 8: Methods of assessing Goedehoop’s performance in relation to Anglo American policies.
- Part 9: Additional activities to be conducted by Goedehoop in order to complete the SEAT process.
- Part 10: Summary of taxes paid by the mine.
- Part 11: Contact details.

2

OBJECTIVES AND APPROACH

The SEAT process at Goedehoop identified several objectives that would assist in shaping its socio-economic programme. These were tested at the commencement of the SEAT process.

Box 2.1 Goedehoop SEAT objectives

- Identify key socio-economic impacts and issues that need to be managed by the mine.
- Assess existing community initiatives, provide feedback on their success and suitability, and identify areas where possible improvements can be made.
- Develop a community-engagement plan for Goedehoop.
- Provide a step-by-step framework to help Goedehoop assess its overall sustainability.
- Ensure that “best practice” is followed within Anglo Coal.
- Plan how to manage the colliery’s socio-economic impact, including social investment and mine closure.
- Gather and collate data for corporate social reporting purposes as well as for developing indicators relevant to local conditions.

A questionnaire was developed from the Anglo Coal guide and used to interview a number of randomly selected stakeholders. These represented the entire spectrum of Goedehoop’s neighbouring communities. The issues raised were collated and Goedehoop management has prepared responses that will be communicated back to the stakeholders. It is unfortunate

that the issues raised were unidirectional, focusing on what the mine should do or provide. The stakeholders could not identify what their own contribution would be in order to support Goedehoop’s input. The responses were analysed by the HR section and a comprehensive list of issues and recommendations was compiled and discussed with Goedehoop’s management. The mine requires other institutions, such as local government and governmental departments, to commit financial resources in order to establish a sustainable partnership with the mine and the community.

In attempting to contribute to the process, Goedehoop management identified issues to be addressed and allocated resources through existing programmes. Goedehoop employed an external consultant to compile the SEAT report and conclude the process.

The mine has identified three categories of stakeholders (see Table 2.1):

- Primary – employees and the local community.
- Secondary – the Nkangala District Municipality, including the six local municipalities that fall under it.
- Tertiary – Provincial Government, Department of Water Affairs and Forestry, Department of Minerals and Energy, Department of Transport, Department of Nature Conservation, Department of Environmental Affairs and Tourism, Department of Public Works, and other interested and affected parties.

Table 2.1 Stakeholders of Goedehoop Colliery

Name of stakeholder	Stakeholder representative or group	Location/Base
Goedehoop employees	Individuals	Goedehoop
Goedehoop contractors	Contractors	Goedehoop
Goedehoop contractors' owners/management	Contractors	Goedehoop
Communities (sustainable communities)	Committee members	Goedehoop
Imbiza team	Committee members	Goedehoop
Unions/associations	Chairpersons of UASA, NUM and Solidarity	Goedehoop
Goedehoop farmers	Farmers	Goedehoop
Informal settlements	Individuals	Farms
Schools	School governing body	Springbok Primary and Kronfontein Primary
Councillors	Individuals	Ward 20/24
Emalahleni Council	LED manager	Emalahleni
Steve Tshwete Council	LED manager	Steve Tshwete
Community organisation	ANC Women's Association	Rethabile, Hope and Vandyksdrift
Community organisation	Community Policing Forum	Blinkpan area
Departments of Environmental Affairs & Tourism, and Water Affairs & Forestry	Director	Witbank
Department of Agriculture	Director	Witbank
Koornfontein / Van Dyksdrift Colliery	HR manager	Koornfontein
Department of Minerals & Energy	Assistant Director – Social Planning	Witbank
Department of Labour	Principal executive manager	Witbank
Department of Health	Director	Witbank
Blinkpan South African Police Services	Station commander	Blinkpan

Informal Settlements

There are four informal settlements around Goedehoop, all resulting from the lack of accommodation for employees' families (the traditional mine hostels forbade families from staying with employees). Most of the people here come from distant regions such as Lesotho and the Eastern Cape. Table 4.2 shows the number of families accommodated in the informal settlement; the majority of these are relatives of mine employees. HIV/AIDS,

crime and non-compliance with SHE standards all have an impact on these communities. Goedehoop has helped to improve conditions by supplying clean water, involving people in SHE awareness campaigns, operating HIV/AIDS outreach programmes through facilitators from the mine and community-based peer educators, and providing condoms. The Community Policing Forum, of which Goedehoop is officially a member, runs crime awareness campaigns.

3

OVERVIEW OF THE OPERATION AND THE SOCIAL MANAGEMENT SYSTEMS

3.1 Background information

Goedehoop Colliery (Goedehoop), part of the Anglo Coal Division, is situated in the Witbank coalfields in the province of Mpumalanga (Figure 3.1). Goedehoop operates in two local municipalities, Steve Tshwete and Emalahleni, which fall under the Nkangala District Municipality. Together with four other mines in this area (Greenside, Kleinkopje, Landau and Bank Colliery), Goedehoop produces thermal coal and limited quantities of higher-quality, low-ash, pulverised coal injection (PCI) product for export.

The operation was called Springbok Colliery when it was founded in 1946, and was officially renamed Goedehoop Colliery after one of its shafts in 1983. The change of name was coupled with a focus on export markets and boosted the new image of the mine.

The mine is 40km south of Witbank and is surrounded by Witbank, Middelburg, Bethal and Kriel. Coal is mined from the number 2 and 4 seams at a depth of 20 -120m and there is also a mini pit (opencast) mined by contractors.

Goedehoop Colliery seeks to make a contribution to the social, economic and educational well-being of the communities in which it operates. This includes stimulating local business development and providing employment opportunities for people from historically disadvantaged backgrounds. Goedehoop is highly involved in social investment, and provides infrastructure, training and financial support to various community initiatives. It has also been among the leading mines supporting the Safety, Health and Environment (SHE) programme, which involves employees and the community at large. The success of such campaigns is evident in the social events that the mine has hosted, as well as in the substantial decrease in mine accidents and increase in productivity. Communication at Goedehoop has had a positive effect on the relationship between management and employees. Each worker strives to contribute to the success of the mine. The Daily Safety Bulletin gives everyone who enters the mine – both workers and visitors – a clear picture of the day’s programme. Information is shared daily with workers before each shift, and ranges from production issues to informal matters such as illnesses and birthdays.

The mine conforms to and supports the government’s initiatives in poverty eradication and job creation. Goedehoop is serious

about transformation and seeks to implement this at several levels. The mine has increased the number of female employees, amongst whom are high-level managers, and has focused on offering technical skills training for women.

3.2 Organisational structure

The Goedehoop operation comprises internal controls that include the performance matrix safety system linked to creative positive reward, and the management confirmation systems. These are the yardsticks for success at Goedehoop and measure the following aspects:

- SHE performance
- Production and productivity levels
- Community engagement

Goedehoop recently reviewed its bonus reward system, taking into account production levels and SHE, and clearly stipulating the 50% VCT (Voluntary Counselling and Testing programme). Goedehoop believes in protecting all its employees from accidents by applying the 60 4 RA (sixty-second, 4-steps-to-safety risk assessment), Shock Awareness Meetings (SAMs) General Managers’ Safety Days, the OTTO principle, Safety Golden Rules, visible felt leadership, and hazards identification and awareness.

3.3 Leadership

Goedehoop focuses on maintenance of good SHE standards and high levels of production through applying a people-centred approach, which is strongly supported by the Regional General Manager of Goedehoop, John Standish-White, the mine’s seven senior managers and employees. Their commitment to achieve excellence and productivity through the five Yebo Siyaphambili values is an indication of Goedehoop’s status as the group’s “flagship mine”. Significantly, employees and employee representatives have fully bought into this programme. Visible leadership that “walks the talk” encapsulates the shared vision of the mine. The open-door policy applied by all employees of Goedehoop encourages a relaxed atmosphere conducive to multi-directional communication.

The Yebo Siyaphambili values typify the commitment by management and employees to make Goedehoop a success:

- Performance excellence
- Shared vision
- Putting people first
- Innovation
- Fun in action

3.3.1 SHE (Safety, Health and Environment)

The SHE campaign aims at providing safety and safe environment awareness and health both to employees of the mine and people in neighbouring communities. Goedehoop is aware that an unsafe environment creates negative perceptions about the mine and its operation, and results in lower productivity levels.

Goedehoop SHE objectives include:

- Eliminating fatal accidents on the mine
- Reducing lost time injuries to zero
- Focusing on VOHE (dust and noise reduction)
- Promoting full Simunye ownership
- Caring for and supporting the development of all people connected with the mine
- Retaining ISO 14001:2004 with pride
- Ensuring community SHE participation and involvement, including education, environmental awareness, safety and security.

Goedehoop subscribes to the motto “SHE first... always”. The following achievements are a result of living out the motto:

- Significant noise reduction from 103dB (A) to well below 100dB(A);
- The ISO 14001:2004 (International Standards Organisation, environmental section) was retained;
- The Lost Time Severity rate was reduced from 47 to 16;
- Goedehoop achieved 0.17 lost-time injury (LTI) in December 2004;
- The mine was awarded four NOSA platinum stars;

3.3.2 Transformation

Goedehoop supports the process of transformation as outlined in the Constitution. To ensure effective change, a transformation programme was recommended by a firm of consultants appointed by Goedehoop. These experts researched diversity on the mine and identified the following key areas requiring attention:

- Racial differences
- Communication and culture
- Accommodation and gender
- Leadership
- Middle management

Every employee of Goedehoop has been afforded an opportunity to undergo diversity training. The training itself seeks to impart values that all managers and employees should strive to live up to, and has resulted in greater tolerance amongst those taking part.

Two workshops were conducted for unions/associations and senior management, and five roll-out workshops were then conducted to include the entire workforce.

The diversity programme links well with the five Yebo Siyaphambili values, and Goedehoop has enthusiastically adopted and implemented the “GH diversity formula”.



Figure 3.2 Integration recognising diversity.

3.3.3 Yebo Siyaphambili

The aim of Yebo Siyaphambili is to introduce the workforce to new ways of thinking and striving for performance excellence by “putting people first”. It also seeks to re-align expectations by distilling all issues that could prevent transformation. The first part of the programme, called Indibano, involved “Span Yebo” visiting all teams on the mine in their workplace (a total of 67 teams over three weeks). These initiatives created tremendous buy-in for the overall Yebo Siyaphambili concept.

Yebo Siyaphambili is a journey that employees, unions/associations and management have embarked upon together to change Goedehoop and Anglo Coal to a company that contributes to the country’s transformation.



Figure 3.4 YEBO team with section employees.

As part of this programme, the “Fun in action” activity was organised as part of celebrating ten years of democracy. The Goedehoop and neighbouring communities participated in various activities, and members of the workers’ union head office were part of the celebration.



Figure 3.5 Employees during the celebration of ten years of democracy.

3.3.4 Communication

Communication is one of the vehicles constantly used by Goedehoop to ensure that the transformation process is maintained and improved.

Following the diversity programme, champions were identified at various levels, including management, to drive communication internally. The following was addressed:

- SHE issues
- Achievements and awards
- Social events (sports, entertainment)
- Promotions and retirements
- Accidents/incidents



Figure 3.6 Goedeheop Colliery Imbiza Team.

To achieve its objectives and ensure consistency in its values, Goedeheop implemented the following:

- Imbiza forum area communication meetings
- Yebo Siyaphambili programme
- Diversity programme
- Daily Safety Bulletin
- Managers' information meeting
- Intranet
- Posters
- Departmental notice boards
- Sustainable development committee
- Residents' committee meetings
- Focus meetings
- Briefs
- Anonymous dial
- Contractors' site meetings
- GH mirror

In addition to being involved in several communication forums, the mine has established a local forum consisting of various stakeholders (see Table 3.1). Goedeheop regards its shareholders, employees, customers, suppliers and neighbouring communities as key stakeholders, critical to the long-term success of the company. Goedeheop's wider stakeholder engagement starts with planning its exploration activity with interested and affected parties, and extends to formal closure of individual operations with regulatory authority approval.

Goedeheop aims, through a process of active engagement, to maintain open dialogue with stakeholders, share information, discuss and attempt to resolve issues, plan for future events, and respond to communications received. Goedeheop also recognises that certain emerging and broader-society sustainability imperatives necessitate engagement on a wide range of issues not necessarily associated with its direct business activities. These engagements generally involve working with industry associations and/or regulatory bodies on multi-stakeholder sustainability issues. Examples range from stakeholder participation in developing economic growth strategies for local municipal areas to specific coal sector initiatives.

3.3.5 Lengau Training

Anglo Coal has identified a huge gap in first-line supervision skills and competencies. Lengau training is a Goedeheop initiative to rectify this competency gap. The programme focuses on mine overseers, GES artisans, miners, charge hands, face bosses, foremen and shift bosses, and teaches them the skills and competencies needed to perform their day-to-day supervisory tasks efficiently and assertively.

Goedeheop management is also using Lengau training as an experiential learning and networking opportunity for supervisors, by allowing them to share newly gained knowledge, discuss experiences and identify best practices. All first-line supervisors have been invited to participate in their own development by becoming part of the Goedeheop management team.

Lengau training Phase Two, which is in line with Yebo Siyaphambili, is designed to improve communication and interpersonal relationships between workers and first-line management as well as between middle and senior management.

Table 3.1 Communication forums in which Goedehoop participates.

Forum	Representation	Frequency of meetings
Imbiza	Management, unions associations	Monthly
Equity Employment Committee	Management and unions	Monthly
Sustainable Development Committee	Management, union and community	Monthly
Local Economic Development Forum (Local & district municipalities)	District, local municipalities, Community Services Managers (CSMs)	As per need
Residents' Committee	Residents, CSM, unions/associations, community members	Monthly
Housing Committee	Residents and CSM	Monthly
Women in Mining	Women, unions/associations and management	Monthly

3.4 Accommodation

Goedehoop provides single and married accommodation for all its employees in terms of the Anglo Coal housing policy. The company also gives employees the opportunity to participate in the Anglo Home Ownership Scheme and Housing Allowance. Financial assistance is available through the Mine Workers Provident Fund for employees to make improvements to their own houses.

Table 3.2 Company-owned accommodation

Area/Family Accommodation	Number
Springbok Village	88
Hope Village	90
Komati Village	30
Witbank	71
Rethabile	114
Britstown	75
Newtown	146
Soweto	26
Jabulani	71
Sizanani	28
TOTAL	739
Single accommodation per area	
Springbok single quarters	91
Hope single quarters	210
Subtotal	301
Housing scheme	
Home ownership scheme	24
Housing allowance	217
Financial assistance (MWPF)	400
Subtotal	159
GRAND TOTAL	1440



Figure 5.1 Newtown ablution upgrading.

Goedehoop has established a Housing Committee which among other matters will investigate the promotion of house ownership. This will be done through participation in the housing developments of the two local municipalities. The annual review of the travelling and housing allowance will positively motivate home ownership to the long-term benefit of employees.

The possibility of increasing housing capacity is being considered, with one plan being to utilise the 59 vacant residential stands in Emalahleni municipality for additional houses.

Goedehoop is committed to improving the standard of living of its employees. To this end, it is improving thirteen of the Newtown ablution facilities where families have been sharing facilities. The mine has committed approximately R1,6 million to the renovations and work will be completed before June 2006. As part of the development, thirteen new family units will be built.

An analysis has been performed on housing issues through consultation with various stakeholders – NUM, employees and housing/residents' committees – to establish whether employees prefer to stay in single accommodation as per the mining charter or in married accommodation. As Table 5.2.1 shows, the majority of migrant employees prefer married accommodation, indicating that spouses and dependants benefit from the community projects provided by the mine.

4 OVERVIEW OF NEIGHBOURING COMMUNITIES

4.1 Key economic activities

Goedehoop does not operate in isolation, but actively engages with its stakeholders. Its operation is directly and indirectly affected by other activities in the Nkangala district, which contribute in turn to local economic development and have an impact on residents. The success of these activities influences Goedehoop's impact on socio-economic issues in the district. The activities include:

- Mining
- Manufacturing
- Agriculture
- Electrification / Power generation
- Construction
- Trade
- Transport
- Finance
- Community services
- Tourism

4.2 Population

According to Census 2001, the Nkangala District Municipality has a population of about 1,02 million living in approximately 160 towns and villages. Goedehoop operates in two local municipalities: Steve Tshwete and Emalahleni. The Nkangala District Municipality comprises an area of 240km² that includes the following local municipalities:

- Emalahleni
- Steve Tshwete
- Delmas
- Highlands
- Thembisile
- Dr JR Moroka

Table 4.1 Population breakdown of the Nkangala District Municipality (as per Nkangala District Municipality population statistics 2001)

Municipality	Population
Delmas	562 106
Emalahleni	276 412
Dr JR Moroka	243 316
Highlands	430 074
Steve Tshwete	135 328
Thembisile	258 875

Table 4.2 Adjacent farming / informal settlement communities

Communities	Number of families
Emahlathini informal settlement	120
Valkrans farming and informal settlements	60
Kwajuma informal settlement	800
Emagalasini informal settlement	900
Van Dyk Colliery	600
Komati	1000
Commercial farmers adjacent to Goedehoop Colliery	8
Farm workers' families	100

4.3 Education levels

The levels of education in the neighbouring communities are not high, as can be seen from Table 4.3 below. This creates a challenge for the mine to build the capacity of its existing and potential employees.

Table 4.3 Education level of employed and work-seekers (as per Nkangala District Municipality population statistics 2001).

	No. in school	Primary Grade 0 - 7	Secondary Grade 8 - 12	Tertiary / other
Municipality %	24,3	34,8	33,6	6,7
Employed %	22,7	26,8	38,6	11,7
Work-seekers %	21,8	29,3	45,0	3,1

4.4 Crime

According to SAPS statistics, the most frequent crimes in the municipal area are housebreaking, burglary, assault, car theft, vehicle hijackings and stock theft. From a socio-economic perspective, poverty and high unemployment contribute significantly to crime in the area. In an attempt to address the issue, Goedehoop has formed a partnership with women and child abuse organisations to establish an anti-crime campaign. This involves youth, workers, the police and local communities. One of the achievements of the campaign has been to set up a toll-free number whereby suppliers, customers, employees and members of the community can report crime of any sort to Goedehoop management or security.

4.5. Primary health care



Figure 5.2 Sister Evelyn Thwala examines a patient.

Table 4.5 Number of families, spouses and dependants treated per year:

Employees	744
Spouses	460
Dependants	1200
TOTAL	2404

Apart from treating its employees, the Goedehoop mine clinic renders primary health care to approximately 1 660 women and children in the local community. Chronic diseases such as hypertension, diabetes and epilepsy are treated, and ante-natal care for pregnant women is also provided. Goedehoop also offers emergency care to residents in the vicinity of the mine.

5 IMPACT OF GOEDEHOOP COLLIERY ON COMMUNITIES

5.1 Impact on employment

Although Goedehoop has assimilated a labour force from several countries within the SADC, its current policy is to employ locals to help address unemployment in South Africa.

Goedehoop conducts its business according to Anglo American's *Good Citizenship: Our Business Principles* and seeks to make a lasting contribution to the communities in which it operates. The mine also strives to prevent or minimise adverse affects arising from its operations, in accordance with Anglo Coal SHE standards and international best practice. This includes being socially and environmentally responsible.

Goedehoop has created 1 282 permanent jobs and an average of 500 contractual employment opportunities. Through the establishment of small businesses (SME or small BEE businesses) the mine has created a further forty-four jobs.

5.2 Impact of Goedehoop on communities

Goedehoop's management, employees and other stakeholders fully support the mine's social initiatives, and their enthusiasm and involvement have contributed directly to the improvement of lives within the community.

Table 5.1 Broad spectrum of labour drawn by Goedehoop in the SADC region.

Country of origin	Province	Number of employees	%
Lesotho		214	16,92
Mozambique		1	0,07
Swaziland		1	0,07
Zimbabwe		1	0,07
South Africa	Eastern Cape	194	15,33
	Free State	26	2,05
	Gauteng	12	0,94
	KwaZulu-Natal	22	1,73
	Limpopo	132	10,43
	Mpumalanga	660	53,05
	North West	2	0,15
	Total		1 282

5.2.1 Poverty alleviation and job creation

Goedehoop supports a number of community projects in its neighbourhood. These aim to improve the livelihoods of people and make these communities sustainable, at the same

time helping residents assume a proactive role in the process. Specifically, Goedehoop funds training and the acquisition of skills as well as providing physical facilities.

Sixty-eight community members trained by the Department of Agriculture are participating in the Goedehoop farming project. Two pieces of land were donated to the community by Goedehoop and prepared with the help of a local farmer. The Department of Agriculture gave advice on the types of crops to be planted. Although the farmers are presently selling their produce only to mine employees and local residents, other markets are being investigated. The products include fresh, organically grown vegetables.



Figure 5.3 Vegetables produced by women in a community garden.

Other projects operating successfully on the mine are catering, computer literacy, dressmaking, and arts & crafts. Small business initiatives have been developed and include shoe repairs and a sewing club.

In 2004, two community development projects were added to the nine already operating. These were E-learning and basic welding. Goedehoop, through the Sustainable Development Committee, will continue to seek other ways to contribute to community development.

5.2.2 Education

5.2.2.1 ABET (Adult Basic Education and Training)

Goedehoop has initiated several projects to help employees and dependants acquire skills that they will use now and after the mine closure. People have also been taught basic life-skills to help them sustain their businesses. Classes are scheduled in such a manner that employees who work shifts are accommodated.

- Literacy and numeracy classes have been provided for employees, their spouses and dependants since 1995. A total of 171 spouses and 188 dependants have been through the ABET classes.
- An ABET school provides adult education to mine employees and their families in partnership with the Department of Education.
- Employees are transported to the nearest ABET centre at SACE (South African Coal Estates), an Anglo Coal operation.

Table 5.2 Projects funded by Goedehoop over the past twelve months.

Project	Amount in rands	Number of beneficiaries
Sewing/dressmaking	96 468	350
Advanced sewing	93 256	68
Arts & craft	81 200	80
Basic welding and safe tools handling	80 524	12
Computer training	78 288	233
Food preparation/cooking	24 000	61
Baking	24 000	61
Waiter & waitress training	15 000	71
Farming projects	145 783	68
Library	14 276	243
E-learning	15 5000	24
Total	668 295	1271

5.2.2.2 Transport and schools

- Goedehoop provides transport for members of the community to nearby schools and tertiary institutions, while free transport is made available to all children living in the mine villages and attending various schools at Witbank and

Rietspruit. Children from farming communities are assisted with transport to the mine school. This service costs the mine R168 000 a year.

- A lunch pack and soft drink is given to every child attending the Teddy Bear and Springbok Primary School. The mine maintains this DET school and assists with educational tours and sporting facilities at a cost of R85 970 a year.
- Goedehoop provides facilities and remunerates facilitators to enable employees to obtain non-mining-related skills and qualifications accredited by MQA and NQF (E-learning).
- A pre-primary school, with three qualified educators and three assistants, is supported by Goedehoop at a cost of R301 394 a year which includes salaries, maintenance, security, educational tours, nutrition and transport.

5.2.3 Small business development

In a major boost for BEE, Goedehoop is supporting local contractors and small businesses by providing them with business opportunities. The mine's procurement policies clearly stipulate appointing historically disadvantaged South African (HDSA) contractors for this outsourced work.

5.2.4 Infrastructure development

Goedehoop has made facilities and infrastructure available to communities for use in their social development activities. These are maintained by the mine and the business owners pay a flat R50 per month.

- A former dining room on mine property has been converted into a skills training centre where community development projects are presented free to participants. This facility costs Goedehoop R66 000 a year for maintenance, repairs and security.
- An entertainment centre has been created and features a mini-cinema, games room and snack bar with DSTv for employees and their families. Goedehoop contributes R39 000 annually towards this centre.
- The mine provides a fully-equipped workshop for boiler-making and basic welding courses. In 2004 the mine paid R81 876 towards salaries, tools and safety equipment.
- Goedehoop contributes R18 000 a year to maintain two liquor outlets in the area, and a further R18 000 towards two shopping complexes catering for the basic needs of the community.



Figure 5.4. Phaphama sewing business.

- Two church buildings used by different denominations are maintained at a cost of R18 000 a year.
- The mine donates an annual sum of R10 500 towards the maintenance of a community hall used for development and training. The money pays for materials, equipment, repairs and security.
- Two recreational clubs with sub-club facilities are supported by Goedehoop at a cost of R65 664 a year.

5.2.5 HIV/AIDS

Goedehoop is passionate about the fight against HIV/AIDS, a fact made clear by the vigorous campaign conducted by John Standish-White, Sida Shipani and all Goedehoop employees. The mine funds a Voluntary Counselling and Testing Programme (VCT) as part of its investment in the HIV/AIDS awareness campaign. In addition, several social events and activities are organised at which employees and their families are encouraged to find out their HIV/AIDS status.

By November 2004, 88% of Goedehoop employees and 226 other people had attended the mine's VCT programme. During 2004 the Anti-retroviral Treatment (ART) was rolled out to 169 employees. The mine constantly monitors ART, promotes healthy eating and provides Morvite to all employees.

As part of Anglo Coal's commitment in the battle against the pandemic, Goedehoop opened its "LoveLife" centre in May 2004, thus strengthening its HIV/AIDS campaign at the colliery and in



Figure 5.6 Samson Nkosi, LoveLife Coordinator motivating youth participation in the fight against HIV/Aids.

the surrounding communities. Approximately R90 000 has been spent on the centre's infrastructure since then.



Figure 5.7 Pheneus Maphaha receiving a gift from John Standish-White as part of the VCT drive.

Goedehoop's partnership against HIV/AIDS is also being extended to Power Belt (the coalition between all coal mines within the highveld region) and the Project Support Association (PAS) which focuses on Goedehoop workplace peer educators and their work in the community. Peer educators are instrumental in ensuring awareness and prevention of HIV/AIDS.



Figure 5.8 Monica doing her VCT oral test.

5.2.6 Suppliers and contractors

Anglo Coal has opened opportunities for previously disadvantaged suppliers to provide services to its mines through Anglo Zimele. Twenty-two of these black economic empowerment (BEE) companies supply Goedehoop.

Table 5.3 depicts these companies, the services they provide and the cost to Goedehoop.

Table 5.3 Anglo Zimele companies working at Goedehoop.

Anglo Zimele Company	HDSA %	Capital	Services	Consumables	Total
Bambanani Health and Safety	100,00%	0	0	102 139	102 139
Ceza Conveyor Belt Services	30,00%	0	549 811	0	549 811
Coalfields Panelbeaters & Spraypainters	40,00%	0	17 613	0	17 613
DSI - Mandirk	40,00%	0	0	0	0
Gillmich Business Forms	100,00%	0	0	0	0
Hi-Quip Hydraulics	30,00%	0	0	621 995	621 995
Kganya Hydraulics & Pneumatics	30,00%	0	0	0	0
Masakhane Ind. Cleaning Services	100,00%	0	392 423	0	392 423
Mpumalanga Uniforms	100,00%	0	0	0	0
Highway Construction	30,00%	0	0	0	0
Probe Auto Electrical - Witbank	30,50%	0	0	16 321	16 321
Queen's Cake Basket	100,00%	0	0	0	0
Reef Food Services	41,59%	0	0	0	0
Semane	44,30%	85 883	274 508	0	360 390
Setshaba Conveyor Services	36,00%	0	246 645	0	246 645
Simunye Engineering Services	100,00%	0	55 928	0	55 928
Stimela Rail Construction	40,00%	0	12 832	0	12 832
Sunbali Flora	40,00%	0	0	0	0
Thabo Piping Systems	40,00%	0	345 358	0	345 358
Witbank Chemicals	43,00%	0	0	123 830	123 830
		85 883	1 895 118	864 285	2 845 285

6 KEY ISSUES RAISED BY STAKEHOLDERS AND MANAGEMENT RESPONSES

It was clear that many stakeholders found the interviews a convenient platform to speak about issues that had been building up over the years, despite the fact that these did not have a direct bearing on the mine and its operation. For the sake of “Good Citizenship” and being serious about forming partnerships,

Goedehoop agreed to discuss these matters. It should be acknowledged that stakeholders committed themselves in kind and financially to ensure that these issues were addressed. Goedehoop is expected to take a lead in creating and facilitating mitigation strategies. The issues are categorised in Table 6.1.

STAKEHOLDER	ISSUES	MANAGEMENT RESPONSES	ACTION PLAN
<p>Employees/Unions/Association</p>	<p>Accommodation/Housing Mine houses maintenance quality is below standard and it takes too long to repair defects.</p> <p>Single sex accommodation concept is not acceptable.</p> <p>Springbok primary school educators to be provided with Mine houses.</p> <p>Employment Employment relations between management and employees needs to address the following:</p>	<p>Management does not accept any substandard quality of work and employees are to be accommodated in well-maintained houses.</p> <ul style="list-style-type: none"> • Management acknowledges the concern raised and is in the process of upgrading the current single accommodation at Newtown to married accommodation by December 2005. • Employees are encouraged to use Home Ownership Schemes and Standard Bank loans through Mine Workers Provident Fund to upgrade or acquire their own accommodation. • Management will assist where possible in providing houses to Springbok Primary School should houses become available. • Three mine houses have so far been allocated to educators of the school. • Employees are our greatest asset and every individual is a valuable team member. Management would like a sound and harmonious relationships to prevail. 	<p>Management introduced the following procedures to improve and sustain high levels of housing:</p> <ul style="list-style-type: none"> • Maintenance procedure has been revised to improve service provided. • Maintenance job requests system has been improved and detailed copies are kept. • Housing committee meeting consisting of Snr Management reviews all accommodation matters monthly to ensure that high standards prevail. • Management will continue to encourage employees to participate in home ownership. <p>Management will continue to review options to address accommodation-related matters with all stakeholders</p> <ul style="list-style-type: none"> • Monitoring systems have been put into place to continually measure progress and address any deviations. Management and stakeholders analyse the results and close gaps that are highlighted.

<p>Neighboring Communities / Department of Health / Department of Agriculture</p>	<ul style="list-style-type: none"> • Employees perceive that the supervisors do not treat them fairly. • Lack of trust between employees and supervisors. <ul style="list-style-type: none"> • Racism still perceived to be a problem. • Equity development is not moving fast enough. <p>Skilled male operators perceive that they are being discriminated against when black women miners are appointed.</p>	<ul style="list-style-type: none"> • Employees are encouraged to raise grievances when supervisors are not treating them fairly. • Goedehoop has rolled out the Diversity and Yebo Siyaphambili Programmes which addresses the issues of trust. <ul style="list-style-type: none"> • The Employment Equity Committee has set out targets to fast-track equity development in line with the Mining Charter. <ul style="list-style-type: none"> • Goedehoop is currently committed in creating opportunities for women with the right qualifications and to promote diversity. <ul style="list-style-type: none"> • Learnerships programmes and ABET are in place to ensure the development of operators. 	<p>Employment equity committee will continue to monitor progress on employment equity.</p> <p>The employment equity committee will continue to be involved with all appointments to ensure that the selection and placement procedure is fairly utilised.</p>
	<p>Safety Health and Environment issues</p> <p>The Hope Shaft discard dump situated next to Hope residential areas generates dust.</p>	<p>The Hope dump rehabilitation programme commenced in October 2004 and it is envisaged that it will be completed in October 2005. Planting of grass and putting up a fence will also be part of the programme.</p>	<p>The project will be completed in October 2005. Dust monitoring devices will be put in the residential areas to monitor dust imported from the dump.</p>
	<p>Social Development Issues</p> <p>Community training development projects are excluding the nearby surrounding communities</p>	<p>The purpose of SEAT is to identify the needs of the community. Suitable projects will be included in the Community Engagement Plans and the Social and Labour Plans as required by the Minerals and Petroleum Resource Development Act of 2004. This process will include surrounding communities.</p>	<p>In 2006 the Community Engagement Plan will be reviewed to consider the community at large.</p>
	<p>Communication between GH and the department of Health and Department of Agriculture needs improving.</p>	<ul style="list-style-type: none"> • Goedehoop has started through the SEAT exercise to engage the two departments and continue with frequent consultation, and will promote a formal communication forum. • A formal communication structure will be established to address matters of mutual interest with the two stakeholders. 	<p>Goedehoop will continue to engage the Department of Health and Agriculture.</p>

<p>Contractors/Suppliers</p>	<p>HIV/AIDS/Health/Social services</p> <ul style="list-style-type: none"> • Concern about the increase of HIV infection. • ARV rollout in Witbank hospital insufficient. • Health facilities, primary health care, social grants etc. are not available to the surrounding communities. <p>Wages and information disclosure</p> <ul style="list-style-type: none"> • Remuneration/Wages for contractors is below the living wage. • Tender documents handed to contractors be made available to contractors' employees • Contractors' employees are not treated fairly and with respect. 	<p>HIV/AIDS programmes was introduced to emphasise awareness, education and prevention using the following structures:</p> <ul style="list-style-type: none"> • Community Peer educators • Love Life that focuses on the youth • Workplace peer educators • Provision of the ARV/ART to employees and <p>Entering into partnership with Department of Health in rolling out ARV/ART to the community.</p> <ul style="list-style-type: none"> • The contractors pack guides regulate all contractors to enable them to comply with all the legal requirements. Each contractor will continue to sign for the contractor pack to comply with all these requirements. • Permanent contractors have been exposed to diversity and Yebo Siyaphambili as part of the transformation intervention and are included in the monitoring system (audits). • Contractors' monthly meetings are held and are intended to address any issues of concern. 	<p>Management is committed to raise awareness and fight the negative impact that HIV/AIDS has on the work force and extend it to the community at large.</p> <p>Management will continue to monitor the contractors and ensure that they comply with legal requirements.</p>
<p>Local Farmers</p>	<p>Theft of crops</p> <p>Mine residents steal crops from the fields</p> <p>Coal spillage from conveyor belts washed into the streams/rivers</p>	<p>Employees have been briefed not to engage in any irregularities including the theft of crops. Any employee found stealing will be dealt with as per the disciplinary code. Management enforces the application of Good Citizenship through the following:</p> <ul style="list-style-type: none"> • Awareness of the Good Citizenship Principles. • The Community Services Superintendent will continue to be involved in the community Policing Forum to combat crime. • The monthly Environmental audit will continue take place. • Farmers' quarterly meetings will continue to address environmental and any new issues. • Goedehoop will continue to clean any spillages before any contamination occurs. 	<p>Management will continue to ensure that there is a good relationship with the farmers.</p>

<p>Springbok School Governing Body</p>	<p>Land is affected by underground mining operations.</p> <p>Insufficient support from GH</p> <p>Appeal made that GH assists and encourages other collieries to render support to Springbok Primary School.</p>	<ul style="list-style-type: none"> • We will strive to maintain our ISO 14001 certification. <p>Management is aware of the possibilities of such occurrence and is on the look-out to ensure preventative measures.</p> <ul style="list-style-type: none"> • Efforts will be made to communicate with neighbouring collieries and other stakeholders to support the school. • Management is committed to better education for all its employees, employees' dependants and those of the community within which it operates . 	<p>Daily operational surveys are conducted to monitor land formation that occurs as a result of the mining operation.</p> <p>Management will investigate the possibility of establishing an education forum with all the interested and affected stakeholders in the area.</p>
<p>Emalahleni / Steve Tshwete Local Municipalities</p>	<p>High rate of unemployment</p> <p>A concern was raised about the high rate of unemployment within the municipality areas.</p> <p>Mining operations could be polluting the underground water and contaminating the river water.</p>	<ul style="list-style-type: none"> • Management is committed to the job creation programmes, poverty eradication projects and the SMME`s development. • GH has started active participation in the local economic development in the Emalahleni and Steve Tshwete Municipalities and in Nkangala District Municipality. • Ground water and contamination levels are monitored on a monthly basis to prevent pollution. 	<p>Goedehoop will continue to monitor underground water and contamination levels.</p>
<p>Department of Labour</p>	<p>Poor working relations</p> <p>Goedehoop Colliery is not working closely with the Department in addressing issues of social interest.</p>	<ul style="list-style-type: none"> • Goedehoop will make efforts to liaise with the Department of Labour on issues that affect them and promote open communication. • The SEAT Process started in November 2004 and is aimed at improving interaction with the Department of Labour. 	<p>GH will continue reporting to the department of Labour as per the required legislation.</p>
<p>SAPS(Blinkpan Police Station)</p>	<p>Firearms handling</p> <p>A concern was raised that GH employees do not handle firearms properly.</p>	<ul style="list-style-type: none"> • Management will continue to support initiatives made by SAPS and community policing forum about handling of firearms. • Goedehoop Security educates all employees about firearms control and regulates handling and usage of firearms on the mine premises 	<p>Goedehoop will continue monitor the handling of firearms in the mine village.</p>

<p>Department of Minerals and Energy</p>	<p>Integrated Development Plan</p> <p>GH was urged to consider aligning community development projects with the Integrated Development Plan (IDP).</p>	<p>Management is committed to aligning all community development projects with the local and district municipality Integrated Development Plan.</p>	<p>Goedehoop will continue participation in the IDP and Local Economic Development Forums.</p>
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7

INDICATORS AND MONITORING

7.1 Local Key Performance Indicators

The findings of the SEAT process have been used to measure and monitor Goedehoop performance. Several potential local indicators have been developed:

Employment opportunities and control systems

- Adherence to development plan and succession planning
- Achievement of 10% women indicates the effectiveness of the employment equity system



Figure 3.3 A new challenge: women at Goedehoop.

Health

- 100% VCT and ART enrolment
- Reduction of HIV/AIDS infection rate
- Partnership with Department of Health and other businesses. Primary Health Care to roll out health programmes to farming and other communities

Community investment

- Effective community engagement plan
- Efficient and sustainable community projects (self-sufficient SMMEs)

Production and productivity

- Better the target of 8,5 million tons per year
- Better the 6,2 million tons quality products (Goedehoop, LAC AAC (Hope @ 380 000 tpm, Vlaklaagte@330 000 tpm, Plant @ 710 000 tpm)
- Exceed R854 million profit

Cost and profitability

- Enhance the R140/t
- Exceed R169m profit at average \$26 per ton profit
- Increased number of BEE contractors
- Increased percentage of projects or new businesses
- Increased number of people trained and using skills developed for their livelihoods
- Increased financial contribution to social investment
- Achieve double EBIT by 2008

8 ASSESSING PERFORMANCE IN RELATION TO ANGLO AMERICAN POLICIES

Table 8.1 Assessing Goedehoop’s performance in relation to AA policies

Key elements	Key actions	Level	Supporting evidence	Management responsibility
1)	With the Anglo “Good Citizenship” principles - Goedehoop’s responsibilities to stakeholders			
1.1	Communities	C	Communication forums (see section 3.3.4.1)	
1.1.1	Promoting strong relationships with communities	C	<ul style="list-style-type: none"> • Social events where members of communities attend and participate (e.g. celebrating ten years of democracy) • Residents’ committee meetings and other forums 	
1.1.2	Enhancing the capabilities of the communities of which the mine is part	C	<ul style="list-style-type: none"> • Investment in infrastructure and educators • School provision assistance • ABET classes • Skills development in various trades and businesses. 	
1.1.3	Seeking regular engagement about issues that may affect communities	B	<ul style="list-style-type: none"> • Various forums with residents • Toll-free number 	
1.1.4	Supporting community projects which reflect the priorities of local people, and are sustainable and cost-effective	C	<ul style="list-style-type: none"> • Poverty alleviation and job creation projects • Employing local contractors • Anglo-Zimele BEE contractors (HDSA) 	
1.1.5	Assessing the contribution an operation makes to social and economic development	B	Social Labour Plan aims at assessing Goedehoop contribution	
1.2	Customers and business partners Seeking mutually beneficial long-term relationships with business partners, contractors and suppliers, based on fair and ethical practices	C	Good citizenship and contractors’ pack are the means for seeking mutual benefit and sound relationships	
1.3	Government bodies Respecting the laws of a host country and being seen as socially responsible	D	<ul style="list-style-type: none"> • BEE programme supported • HDSA are provided with contracts and have their capacities built through training and provision of infrastructure and facilities • In compliance with the requirements of the Minerals & Petroleum Resources Development Act of 2002, Goedehoop submitted its Social and Labour Plan to the DME in Oct 2004 for approval 	
1.4	Non-governmental organisations Aiming for, and achieving, constructive relations with relevant non-governmental organisations	A	Goedehoop aims at achieving good citizenship and good governance in all dealings with non-governmental organisations	

2)	Within Anglo “Good Citizenship” Principles - The Principles of Conduct		
2.1	Corporate citizenship		
2.1.1	Seeking to make a contribution to the economic, social and educational well-being of communities associated with the operation. This includes developing local business and providing opportunities for workers from disadvantaged backgrounds	C	<ul style="list-style-type: none"> • Several community poverty alleviation projects • Contracts for Anglo Zimele BEE companies • Supporting ABET • Providing transport for schoolchildren • Supplying lunch packs to pre-school and primary school children • Paying pre-school educators’ salaries
2.1.2	Recognising the sensitivities involved in addressing issues relating to the cultural heritage of indigenous communities	-	<ul style="list-style-type: none"> • Diversity transformation programme • Land Claims Act
2.1.3	Ensuring that matters relating to indigenous communities are handled in a spirit of respect, trust and dialogue	B	Land Claims Act
2.1.4	Promoting workplace equality and seeking to eliminate all forms of discrimination	D	<ul style="list-style-type: none"> • Equity committee • Recruitment policy • Diversity
3)	Within the SHE policy		
3.1	Making a contribution to address priority community health issues	C	<ul style="list-style-type: none"> • Promoting vegetable production projects • HIV/AIDS awareness campaigns • LoveLife programme and facilities
3.2	Conserving environmental resources	D	<ul style="list-style-type: none"> • Environmental policy • ISO 14001 • NOSA
3.3	Preventing or minimising adverse environmental and social impacts arising from an operation	D	<ul style="list-style-type: none"> • Social labour plan • Community engagement plan • Community social initiatives
3.4	Demonstrating active stewardship of land and biodiversity		<ul style="list-style-type: none"> • Local farmers’ meetings • Non-mining residents’ meetings
3.5	Promoting good relationship with, and enhancing the capacities of, local communities	C	<ul style="list-style-type: none"> • Sustainable development committee meetings • Residence committee meetings
3.6	Respecting people’s culture and heritage	D	
4	Within the management principles		
4.1	Commitment Allocating adequate financial and human resources to ensure that social issues are dealt with in a manner that reflects their high corporate priority	C	<ul style="list-style-type: none"> • Community services department staff • Environmental staff • Goedehoop management

4.2	<p>Risk assessment</p> <p>Accurately identifying, assessing and prioritising the hazards and risks associated with all mine activities.</p>	C	<ul style="list-style-type: none"> • ISO 14001 audit • NOSA audit • Internal HR audits
4.3	<p>Prevention and control</p> <p>Preventing, minimising or controlling priority risks through planning, design, investment, management and workplace procedures</p>	D	<ul style="list-style-type: none"> • ISO 14001 audit • NOSA audit • Internal HR audits
4.4	<p>Performance</p> <p>Setting appropriate goals, objectives, targets and performance indicators for all operations, as well as meeting all applicable laws and regulations and, where appropriate, applying international best practice</p>	D	<ul style="list-style-type: none"> • Performance contracts • Performance appraisal • Departmental budget (5-year focus budget) • Trade reviews
4.5	<p>Evaluation</p> <p>Accurately monitoring, reviewing and confirming the effectiveness of management and workplace performance</p>	C	<ul style="list-style-type: none"> • Performance contracts • Performance appraisal • Departmental budget (5-year focus budget) • Trade reviews
4.6	<p>Stakeholder engagement</p> <p>Promoting and maintaining open and constructive dialogue and good working relationships with employees, local communities, regulatory agencies, business organisations and other affected and interested parties, to increase knowledge and enhance mutual understanding of matters of common concern</p>	C	<ul style="list-style-type: none"> • Imbiza forum • Performance appraisal • Departmental budget (5-year focus budget) • Trade reviews

9

ADDITIONAL ACTIVITIES TO BE CONDUCTED BY GOEDEHOOP

Goedehoop has fully engaged itself in an effective and comprehensive social management system that has given the SEAT process enough resources to be effective. There are nonetheless several challenges that require a more strategic approach than simply making a greater number of resources available:

- It is important to share results of the SEAT process with stakeholders.
- Improved communication with all stakeholders is central to the success of the social management system at Goedehoop. Stakeholders provide external opinion and have an objective view of the programme.
- It is vital to plan for mine closure. These preparations are in their infancy, but several community projects and businesses have already been established (see Section 5.1 of this report). In addition, a dedicated process focusing on this aspect will be undertaken soon:
 - Development Plan. This includes the Skills Development Plan, vacancies, career plans, mentorship plans and bursary plans.
 - Employment equity statistics are currently available. Goedehoop is committed to helping people in the local communities participate in the Anglo Coal learnerships and bursary scheme.
 - Community development projects have been identified and integrated in the municipalities' IDPs.
 - Processes to manage downscaling and retrenchments are under way. The creation of a Future Forum and strategies to prevent job losses (or minimise their effect) are planned for discussion with stakeholders in early 2005.
 - Financial provision. A budget of more than R12 million has been set aside for the next five years to support community development projects.
 - Communication. The Goedehoop Community Engagement Committee will publicise activities, monitor current projects and assist in identifying potential projects in consultation with stakeholders, other Anglo Coal South Africa operations and the community to ensure self-reliance, sustainability, support and participation.

10

LIMITED TAX AND REVENUE

Over and above directly supporting community development and providing employment in the SADC region, Goedehoop contributes substantially to the national economy as a taxpayer. In the 2003/2004 financial year, Goedehoop paid a total of R167 640 037 in taxes and levies.

DESCRIPTION	PERIOD	AMOUNT
Employees' tax	12 months	R 29 519 522
Company tax	10 months	R 135 744 722
RSC levies	12 months	R 2 375 793

S•E•A•T Socio-Economic
Assessment Toolbox
Report