

## **Background**

Petmin's Somkhele mine is situated in Mpukunyoni, 85km northwest of Richards Bay in KwaZulu-Natal and is operated by its 80% owned subsidiary Tendele Coal Mining, with 20% held by a trust for the benefit of the local community and employees.

It is South Africa's largest producer of high-quality metallurgical anthracite.

The Mine started operating in 2007, promising to employ 150 people. Today more than 1 300 people are employed at the Somkhele Mine, more than 80% whom originate from Mpukunyoni. 28% of total positions are occupied by women and more than 40% of Tendele's mining positions are occupied by women. A further +/-300 people are employed indirectly through service providers.

Somkhele has capacity in excess of 1,2m tonnes per annum of anthracite and also produces energy coal from discard.

In 2015 Petmin announced an agreement for a R350m BBBEE transaction giving the local community and employees a 20% stake in Somkhele.

Over the past 11 years, the Mine has spent some R1.4-billion in the area, mainly on salaries, payment to community entrepreneurs, relocation of community members, building of schools and crèches, provided ABET training and conducted many skills development courses that have benefitted thousands of people outside the mining fence and has made a tremendous long-lasting positive impact in the Community.

The Mtubatuba Local Municipality Integrated Development Plan ("IDP") for 2017/2018 - 2022 provides, at 13.1, that "...mining is one of the major employment sectors in Mtubatuba Municipality through Somkhele Coal Mine... [I]t is a well-known fact that the majority of people working in this mine are locals (within Mtubatuba Municipal area, Mpukunyoni Traditional Council in particular)".

It is further recognised in the IDP, inter alia, that "[T]he unemployment rate within Mtubatuba Municipality was at 59.7% in 2001, however in 2011 there was a significant improvement as it is estimated to be at 39%. This may be due to the coal mining operation taking place in the Mpukunyoni Traditional Council area, Somkhele Mine."

The IDP furthermore states that the Mtubatuba Municipality's economy is driven by the performance and structures of, inter alia, mining at Somkhele.

### **NOMINATION 1 – CATEGORY CSI - ACHIEVEMENT IN ADULT EDUCATION AND TRAINING**

Although the training in adult basic education started at a very low scale in 2008 with the function being outsourced, it gradually gained momentum to the point where three AET instructors are now employed full-time to provide for three separate groups being trained at any time in two different venues.

Although training was originally only provided at the Mine's training centre, we found that as a result of the low education levels of people in the community, combined with the high unemployment rate, our facilities were not accessible to a large portion of the community.

Hence, a third class was started at the Edu-Centre which is right next to the Traditional Authority facilities and more central in Mpukunyoni.

AET training is used as a "stepping stone" for securing employment on the Mine as many have realized that securing employment with-out any form of education is virtually impossible. Candidates between the ages of 30 to 40 whom have no work-experience and a very low level of education is found to be the norm, rather than the exception.

In spite of all the socio-economical challenges our learners are facing, we are proud to confirm that since the ABET training started in 2008, the Mine has managed to ensure that more than 2 350 IEB papers have been written by our learners with more than 1 300 learners having completed at least one full ABET level with various success stories of community members whom started with ABET and now are employed in skilled positions, for example earth-moving machinery operators.

#### NOMINATION 2 – CATEGORY CSI - ACHIEVEMENT IN COMMUNITY TRAINING

By making use of external training providers for all training, with the exception of Adult Education and Training, the Company has managed to train more than 5 200 learners from the community solely as part of its contribution to the community:

The following serves as examples of our training achievement:

- 3 526 learners trained in skills the likes of brick-laying, agricultural crops production(800), animal husbandry, Code 14 licenses, beauty care, etc
- 105 apprenticeships
- 76 bursaries
- 181 learnerships
- 63 learners trained on earth-moving machinery in 2018 alone
- 471 learners doing N1-N3 through our Edu Centre in a joint venture with Richtech College since 2017
- 59 learners trained in live-stock care in 2018 alone
- more than 120 learners placed on workplace exposure programmes in 2018 which varied from alien weed eradication to fencing, mineral processing etc
- more than 80 candidates trained as security guards
- more than 60 learners trained in entrepreneurship skills in 2018
- 1 100 scholars from 9 schools around the Mine participating in the "Vulamehlo" Career Guidance Programme

### NOMINATION 3 – CATEGORY CSI – COMMUNITY PROJECTS

The following community projects were conducted recently:

#### **LEGO PROJECT (CSI Project):**

In the past, the Mine used to sponsor gift packs to children in the creches during Christmas time. This idea was taken one step further with the partnership with the Lego foundation and a very energetic lady by the name of Ms Rose Upfold, together with Tendele's Training Superintendent Koos Dafel.

The outreach will reach some 2000 kids through 25 creches in the area - investing in Early Childhood Development of our future leaders.

The project entailed the following:

- One teacher from each school was trained on how to fully utilise the material
- Each school received lego bricks and training for the teachers on how these bricks can assist with Early Childhood development.
- Creches received educational material and stationary i.e. paint, paper, crayons, balls, tricycles, scissors, glue, sensory play equipment and building blocks etc.

The Lego blocks and training material was sponsored by the Lego foundation.

Tendele sponsored the training facilities, certificates, training manuals, delivery, facilitators' travelling and accommodation.

Noticing the needs in the community creches Tendele decided to expand on the gesture by also sponsoring each crèche with some supplies that would benefit all the children, including kick-bikes, Big Jim Containers, Scissors, Paper, Glue, Jumbo Pencil packs, Balls, Jumbo wax crayons, Paint and Paint brushes, Building blocks, Sensory plastic containers and play sand.

#### **ST LUCIA ABLUSION FACILITIES AND ZULU MARKET RE-THATCHING:**

The Mine and the Municipality officials together identified this project to build ablution facilities at the St Lucia taxi rank which is at the entrance of St Lucia as well as to refurbish the hawker stalls which are used by hawkers who sell their products to Tourists and other visitors.

St Lucia beach is visited by more than 100 000 beach goers between 16 December and 10 January of every year. This figure is inclusive of local Mtubatuba people, general South Africans and international Tourists, who are normally on guided tours.

As per the Mtubatuba Municipality, it is widely known that most of the locals use public transport to the beach and therefore guaranteed use of the toilets will flow from this due to its close proximity to the taxi rank. It is also expected that tourists on bicycles and those visiting the Isimangaliso birding trails will utilise these facilities whilst on their way.

## **INGAQA SCHOOL HALL:**

The Mine consulted with various community stakeholders, the Department of Education, and the Mtubatuba Local Municipality where-after it was determined that a project in Ingaqa full service school would be well suited as the schools houses children with learning disabilities and happens to be the only one of its kind in the whole of Mpukunyoni.

Ingaqa Primary School is located in Machibini area. The school is some full-service school accommodating learners with disabilities / children with learning disabilities in the Mpukunyoni area and included in the Municipal IDP. There are 730 learners which includes 93 disabled / children with learning disabilities

Not only was the Ingaqa Full service school's hall built but the school was also equipped with a borehole and pump, a "facelift" was done on the buildings, ceilings and toilets and water tanks fixed / replaced. Wheelchairs were donated and computers were fixed.

A hall which can be utilised for:

- Learners / school activities
- Special needs workshops – “these children are viewed in many cases by the families as a curse and subsequently awareness training is required for these families”

The quality of education and care to the children could now be improved as follows:

- Borehole for water supply – will assist disabled learners in need of cleaning due to poor body function control. These children also need to be cleaned before returning home as most households in the area are without running water as well. The Mine has Drilled and equipped a borehole for the school.
- Showers with a geyser - some of the children suffer from cerebral palsy and need to be cleaned from time to time. Before the improvements teachers used buckets in each class to ensure hygiene.
- Two Wheelchairs - A need for two (02) wheelchairs was identified as there are two children who aren't mobile unless they have access to such.

The Mine furthermore did some general refurbishment of the whole school which included

- Cleaning and preparing the toilets to be usable again
- Establishing a vegetable garden
- Basic improvements, for example installing ceilings in some classes, painting, some walk-ways and disability ramps
- Shelving
- Electrical wiring
- Flooring

**TRACTORS SLP:**

This project was identified based on the intervention from the DMR and consultation between the Mine and the Municipality in search for suitable community SLP projects for the SLP 2018-2022. The Mine has been included in the Municipal Local Economic Development Forum and the Agricultural forum to establish this project.

Two tractors which include a 36 months service plan, two (02) ploughs and two (02) discs were purchased in consultation with the Municipality. This equipment will be used for the community cooperatives in the Mpukunyoni area to assist with agricultural initiatives.

The local Municipality will be in charge of the equipment's use, maintenance and safe keeping. The Tendele Agricultural hub that was established through the 2013-2017 SLP will be used as the initial market place for the produce and the almost 800 families trained in basic Agriculture during the said SLP will also form part of the beneficiaries / benefit from this project.

The Mine will monitor the utilisation of the tractors in collaboration with the local Agriculture Forum for a period of two years until it exits the project.

A survey was conducted by both the Mine and the Municipality to identify active Co-operatives that do farming activities but lack the necessary equipment (such as tractors and implements – ploughs, discs etc.) and reliable water supply. These cooperatives did not only include those identified / registered with the Municipality, but also the 800 beneficiaries that were trained by the Mine's Basic Agriculture training conducted during the Social and Labour Plan 2013-2017.

Such details as the sizes of land availability, number of participants and GPS Co-ordinates were acquired and duly informed the extent of the intervention – i.e. the type as well as amount of equipment / implements required. Three areas in particular showed to be in need of borehole-equipping to ensure water supply to the fields / gardens. The total area that was earmarked for vegetable farming was 436 hectares with approximately 387 participants. These numbers have a high probability of growth as soon as the project reaches a stable phase.