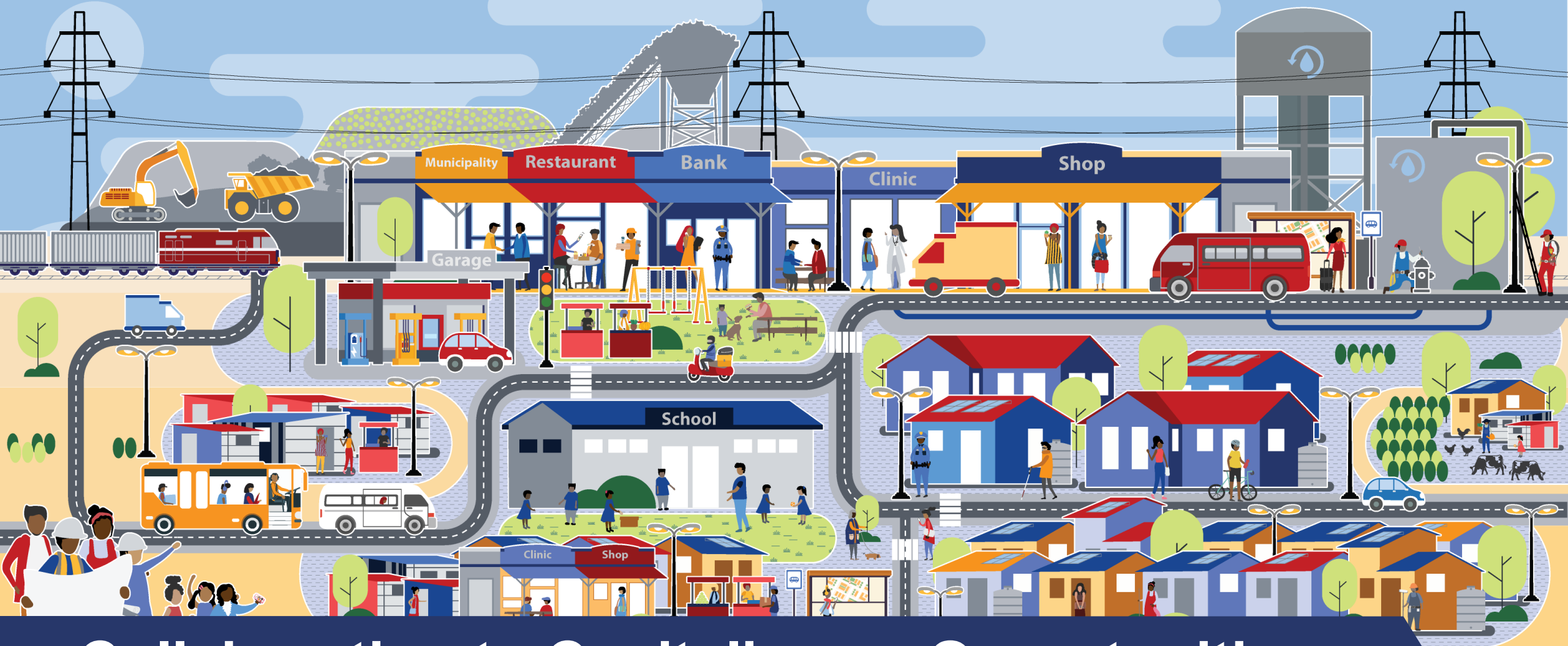




Collaboration to Capitalise on Opportunities Post-Mining Future | 28 – 29 November 2023, Kalahari Lodge, Kathu

Municipal Capability & Partnership Programme

Based on collaboration between Anglo American, the Department of Cooperative Governance (DCoG); and Implemented through a Memorandum of Agreement between:

Anglo American (including Kumba Iron Ore, Kolomela and Sishen Mines), Gamagara and Tsantsabane Local Municipalities (Northern Cape) and the CSIR

28 – 29 November 2023
Kalahari Lodge, Kathu

MCPP *Municipal Capability & Partnership Programme*



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Introduction

On the 28th and 29th of November, the Municipal Capability and Partnership Programme (MCPPE) convened the Northern Cape Gamagara and Tsantsabane local municipalities and their respective mine stakeholders (Sishen and Kolomela) in a collaboration engagement. The objective of the workshop was for the mine, the municipalities and MCPPE to work productively on collaboration opportunities to support future development in the region. This report captures the process and outcomes of the 2-day workshop.



Partners in attendance

The meeting was attended by the partners indicated below:

- TLM Town Planner
- TLM Building inspector
- TLM Director corporate services
- TLM IDP officer
- TLM MM
- TLM Superintendent Water
- GM corporate services
- GLM Town planning manager
- GLM IDP Manager
- GLM Engineer
- GLM acting director corporate services
- Kumba Comms /stakeholder
- Anglo America MCPP
- Kumba Specialist
- Kolomela mine
- Sishen Mine – SLP /project advisor
- Kolomela Mine SED Specialist
- Kolomela Community liason
- Kolomela SED Specialist
- Kumba Stakeholder engagement
- MCPP PM

The urgent need for partnership

The following section provides context to the MCPP engagements in the region and progress that has been made to date. This session communicated the session objectives, which were for the mine and the municipality to engage on areas requiring collaboration to support future development. The objectives of the workshop were also to begin the collective visioning for a post-mining future and for the municipalities to engage with the asset transfer guidelines as a tool for collaboration.

The introductory session provided an opportunity for participants to introduce themselves, followed by an in-depth evidence-based presentation of the real issues at play in the region.



The urgent need for partnership [1/2]

The impending mine closures present great risks to the region's economy and people's livelihoods. In addition to future development needs, the region also has imminent social challenges relating to service delivery and livelihoods.

“Government is super busy doing all sorts of initiatives. So is the private sector. The problem is that we don't see the busy-ness manifesting on the ground.” Mine representative

There are opportunities through the SDF and SLP process that can bring about change but partnership is required to have a coordinated approach. The lack of coordination and collaboration in the region has been recognized as a barrier to realizing impact.



The urgent need for partnership [2/2]

Although the workshop was well attended, there was a reflection that there are other partners who have an influence in the region, such as provincial officials and sector departments, who should be present.

“It’s always a struggle to get the relevant people around the table.” Municipal official

The issues discussed through the MCPP workshops have been raised at the district level, the Northern Cape Province and with HODs.

“We are going to be accountable at the level of the premier, but accountability comes with support. We have allies in the form of the premier. There is an opportunity to turn things around.” Mine representative

My World, Your World: Building empathy

The intention of this part of the programme was to engage in open and honest reflection amongst the attendees. Building empathy is an integral part of relationship building, especially in a context where perceptions may govern how partners interact.

This session included mine representatives, municipal officials and MCPP representatives being put into their respective groups to reflect on questions relating to their practice. The section following summaries the discussions and reflections.



Building empathy [1/2]

The participants shared the pressures they face within their respective environments, which impact how they show up in the spaces they work in. Political instability in the municipality, cascading responsibilities, service delivery backlog, and unfunded mandates emerged as pressing issues for the municipalities.

“People out there are coming here to discuss us without us.” Municipal official

“There is no continuity. That makes it look like poor planning. But it’s the system.” Municipal official

On the other hand, representatives from the mine are met with increasing social demands of doorstep communities despite their efforts, short project timelines and are perceived as a bottomless pit of money, despite undergoing cost cutting.



Building empathy [2/2]

“Timeframes are sometimes not realistic. But we have to account.” Mine representative

The context within which the partners operate in can be very tough and difficult to manage in terms of capacity, stakeholder perceptions and power dynamics.

“We are struggling a lot, and we are living hopelessly.” Municipal official

However, despite the context, the MCPP created a space to begin to build empathy for one another and collaborate on issue identification, as opposed to transactional and even antagonistic interactions that characterise the current municipal-mine relations.

“We are bringing trust into the system.” MCPP representative

The facilitated approach set up rules for interaction that governed the space for the duration of the

workshop. These rules included kindness, leaning in and having fun. These values were underpinned by the need for vulnerability and generating authentic human connection.

“It hit me how tough it is in the municipal world.” Mine representative

“For us as municipalities, fun is not in our vocabulary.” Municipal official

“There is a need for enablers of collaboration. You need someone neutral to bring everyone together.” Municipal official

The session provided space for participants to reflect on their practice and begin to understand why collaboration is currently not happening.

“The municipal environment is so regulated that you can’t move.” Municipal official

“There may be certain processes that as a business, we are not doing as well as we should.” Mine representative

Co-identified needs

In this part of the programme, the participants worked in mixed groups to start the work of collaboration. The goal of this session was to illustrate that working collaboratively can be in simple activities such as thinking or planning together and to show the benefits of collaborating as early as possible.



Co-identified needs

- Enhancing trust and having it sustained
- Joint and aligned stakeholder engagements; involve more stakeholders in the development of the IDP
- Develop one regional SLP based on infrastructure plan; grow municipal mine compacts to facilitate a shared vision
- Create a knowledge management system for institutional memory
- Establish a sustainable water solution for all
- Diversification of the economy
- With the needs identified, it was also recognized that there is room for improving practice on both the mines and municipalities side.

“Diversification won’t happen overnight. It’s difficult to even get a closure certificate.” Mine representative

Emerging areas of collaboration [1/2]

TLM and GLM are not at the same place in terms of progress towards collaboration and establishing the willingness to collaborate. There is a narrative that the public sector and the mines are pulling in opposite directions to a point where communities protest at mine offices due to the perception that the municipality does not have the capacity to respond to their issues. The municipality also has long approval times for development applications.

An opportunity to create joint stakeholder engagements to avoid consultation fatigue was raised.

“There are some community members (the municipality) can have access to through the mine’s engagement platform.” Mine representative

A presentation framing the post-mining scenario development was provided by the technical experts in the MCPP team. From the presentation, the role of mining in the national economy was emphasized.

“Mining has been the driving force of the country but has also been the driving force of change.”

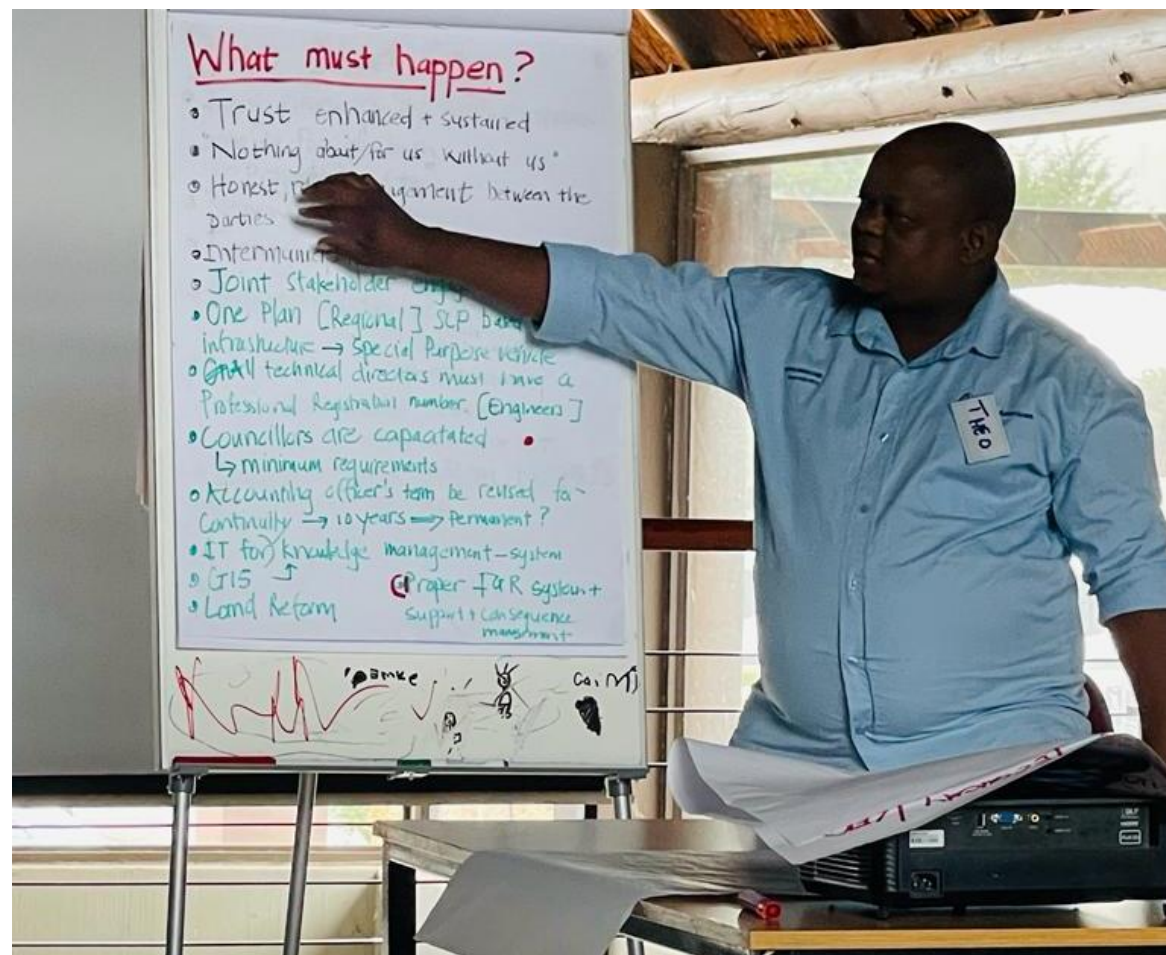
MCPP representative

Finding solutions will require tapping into resources outside the room for support. *“It goes beyond TLM and GLM. It’s about the national fiscus. Which is why we need the powers that be, to part of this movement; to be part of this compact and joint action plan.”* Municipal official

The key areas of collaboration were identified through the asset transfer guidelines presentation.

Emerging areas of collaboration

The facilitated discussions invited groups to identify strategic issues that partners could collaborate on.. Municipal groups were invited to identify the big opportunities for collaboration that exist to change the narrative. The session also sought to illustrate the value of different stakeholders bringing their expertise and lived experiences to shape the discussions.



Emerging areas of collaboration [2/2]

The presentation highlighted the need to figure out what happens to the mine's property portfolio when the mine closes. The difference between an asset and a facility was explained. This links to the type of asset investments to be made, where a municipality strives for a balance between establishing revenue generating and non-revenue generating assets.

When the mines close down, there are opportunities for the municipality to reuse the mines' buildings and properties for their own uses or for future identified social needs.

"We often build too many assets beyond our ability to manage them. It's a global phenomenon."

The asset transfer guidelines seek to influence the asset transfer process, which can be initiated at project conception, to make the process more efficient.

"I see the asset transfer process as an instrument for collaboration." Municipal official

The MFMA states that a municipality cannot take on a new asset if it has not budgeted for the asset's maintenance. *"There is no such thing as a free asset."*

"Poor planning for the post mining future can create communities displaying anti-social behaviour. " To avoid this, the partners in the iron ore and manganese belt need to create a common vision that reflects shared value for all stakeholders involved." MCP representative

"Every company does its own vision in the space of mining, as opposed to crafting one common shared vision that all of us will rally behind." Mine representative

What is still needed for enriching collaboration?

1. Building trust

“If the environment changes and you can no longer deliver, you need to communicate.”
Without timely communication, trust is broken.”
Mine representative
2. Alignment prior to implementation
3. Bringing other stakeholders (small scale mines)
Local businesspeople, forums, CPA on board
4. Information and data sharing

“We need to coordinate information release on mine closures through a communication plan, guiding what information is shared with the public, when and at what point to consult the affected stakeholders.” Mine representative
5. Understand each other’s internal governance processes.
6. Alignment between department stakeholders
7. Structured and continuous engagement
8. Transparency and accountability

“Who is going to monitor the implementation: Someone must monitor progress.” Municipal official
9. Putting systems in place and take action.

Next steps towards improved collaboration

The following were identified:

- Use existing meeting forums as opportunity spaces to work together more often
- Musa to coordinate and facilitate information sharing
- Participate more meaningfully in IDP & SDF to shape aligned planning
- Explore possibility of cross border municipal investor platform to broaden investment horizons for the region.
- It was recognized that building trust will take time and that continuous engagements can help facilitate trust building amongst the partners.