

Bench Marks Foundation
ANGLOPLAT IN SEKHUKUNE
LAND

COMMUNITY PERCEPTIONS OF
ANGLOPLAT'S CORPORATE SOCIAL
RESPONSIBILITY

8th April 2010, Paris, France.

CSR Challenges as defined by Corporation

The producers spent R115 million in 2006 on socio-economic development projects

Main focus areas include:-

- Infrastructure
- Education
- Health and welfare
- Community capacity building
- Small, medium and micro enterprise development

Community Perceptions: Mecklenburg, The Bench Marks Intervention

- We did a small test survey in Mecklenburg in December to determine community perceptions.
- We also did comprehensive field research in the area between 2007 and 2008 - Policy Gap 2.
- This small test survey served to detect any changes in perceptions from previous fieldwork.
- The relocation negotiations started in 1998 and relocation was started by 2003 and continued through to 2006/7, community resistance was reported through to 2007.
- It must be noted that the findings do not contest the substantial CSR investments made by Anglo Platinum in the area, but reflects the perceptions of community members of that CSR investment and how it is conducted.
- The Bench Marks Foundation has identified big gaps between the world view of the corporation and that of communities, gaps of power imbalance, gaps of perception (ways of seeing), gaps of interpretation and gaps of communication.
- Designing a new, alternative way of engagement between communities and corporations is a process, and this research is part of that process, really only the first step. There are no instant solutions to the challenges communities and mines encounter.

Why are community perceptions about the environmental interventions of the CSR programme so negative?

- The corporation's definition of the environment is narrow, it focuses on water, air and land (legal compliance), but separates out the human environment which it prefers to denote as the community, it fails to see the overlap because it lacks a conception of environmental justice.
- The community is at a disadvantage because the knowledge/power nexus is in favour of the corporation. The community lacks access to expertise/knowledge with which to contest corporate environmental claims.
- The corporation does not effectively communicate its environmental interventions.

Housing and infrastructure: Why is the community so negative about the CSR efforts of the corporation in this regard?

- The urban planning is based on a western concept of spatial arrangements, the community finds the grid pattern and the uniformity of the housing alienating;
- The fact that spatial arrangements did not take into consideration the traditional cultural placing of authority, status, religion and gender has according to the community led to anti-social behaviour
- The yards are small and do not make provision for domestic animal husbandry, or cultivation and food gardening;
- The houses are without foundations and are prone to cracking;
- The community highly values the school in close proximity to their houses;
- High levels of unemployment in the community further contributes to anti-social behaviour, and the community feels that the corporation is not contributing sufficiently to community sustainability. The corporation has a narrow definition of sustainability reflective of its own economic interests.
- The community feels as if the corporation makes decisions for them, rather than with them.
- Profit driven consultants doing EIAs, SIAs, relocation plans etc. Are driven by a desire to realise profits, do not have any empathy for community concerns and do not share the same cultural values or world view as communities.

Why is the community so negative about the corporation's CSR investment in employment?

- When mining corporations first consult communities about starting up a new mining project, communities are often promised major employment growth. However, because mines want to overcome massive start up costs as quickly as possible they draw on the pool of skilled mineworkers available elsewhere in the country and the region, rather than train new recruits.
- Much of the work on a mine these days are subcontracted, and subcontractors from outside of the area where the new mine is being developed bring their own labour from outside.
- At least the community agrees that Angloplat advertises its jobs visibly and accessibly.
- The community perceives there to be problems of nepotism in the appointment to jobs.

Why is the company's CSR commitment to the community questioned?

- When corporations consult with communities before starting a new mine the corporations usually create high expectations as to the potential benefits of mining to communities, while downplaying potential negative social, economic and environmental impacts. In the years following commencement of operations as the negative aspects become obvious, and the positive do not materialise, **a crisis of expectations sets in.**
- If communication with the community is not sustained and the concerns of the community not addressed speedily and consistently a **credibility gap emerges.**

Why is the community questioning the company's CSR commitment to empowerment?

- The company's definition of empowerment substantially differs from that of the community. The company's definition is defined by the Mining Charter and has to do with the number of black and female faces on the board, on senior, middle and junior management, the percentage of black shareholding in the company.
- The community's definition has to do with the way in which their relationship with the corporation enriches and empowers the community itself, not compensating them for the damage done by relocation, but restoring and enriching their quality of life as a community, as they perceive and define "quality of life" not as defined by some urban planner.

Community perceptions about senior management

- The community seems to be in two minds about sustainability officers and managers and their seniority.
- The community is also suspicious about the motives of senior managers when they do attend meetings.

The community's perception of the corporation as Corporate Citizen

- The community through experience perceives the corporation as an invader of their space, rather than as a friendly neighbour;
- The community feels overwhelmed by the sheer magnitude of the mining operations;
- The community feels 'pushed around' and 'powerless' in the face of the immense size, knowledge, political power of the corporation;
- The corporation has seemingly more rights than them as a citizen.

Community perceptions of the sustainable development CSR interventions of the corporation.

- It would seem as if there is a severe mismatch between the corporation's understanding of sustainable development and that of the community.
- The community remains unconvinced that the corporation is in any way committed to life after platinum in the area.
- The community fears that they will remain with the environmental degradation of the post mining situation, minimising their economic opportunities in agriculture, tourism, manufacturing etc.

Community dissatisfaction with the sharing of information

- The community feels that if it is to participate meaningfully in meetings the corporation should be more transparent, and provide adequate and balanced information to allow the community to come to reasonable and well considered decisions.

Community dissatisfaction with corporate time frames

- The community complains that notices for meetings are out of the blue (unexpected) and that the community is given insufficient time to caucus and prepare to participate meaningfully.

Community dissatisfaction with corporate feedback

- The community claims that despite the fact that there are more frequent meetings between them and the corporation, the response from the corporation to issues raised is poor.

Perceived Community Problems with the Style/Symmetry/Reciprocity Associated with Communications with the Corporation

- The community is of the opinion that communication with the corporation is skewed, and although they may feel confident enough to engage with the corporation they do not believe that there is equal opportunity to do so.
- They do not experience corporate communication as clear and user friendly. They perceive it be full of jargon.
- However, there seems to be an improvement in communications in that the corporation is increasingly also communicating in local indigenous languages.

Credibility/trustworthiness
of communication

How do we interpret community responses to Angloplat's communication

- Given their increasing confidence the community feels that they can begin to set the agenda in their engagement with Anglo Platinum.
- However, they feel that the corporation does not engage on a sufficiently regular basis, meetings are not documented, they do not receive feedback, and the issues raised in meeting are not addressed.
- They feel that the location of meetings puts them at a disadvantage. They do not have the same resources as the corporation to travel to and from meetings, and security is a problem if meetings are held at night.
- The MOU signed here today but agreed to in JHB starts to answer some of the issues above.

The Way Forward

- Given the above corporations approach CSR from a strictly compliance perspective, and there is a need to move beyond this to developing long-term sustainable relations with communities;
- CSR should not be determined by corporations, but by communities on whose land the corporations operate;
- In unequal distribution of power and resources listed above should be neutralised by community recourse to independent expertise and monitoring capacity. This should be independent even from government, which has amply demonstrated its incapacity to be neutral and objective.
- Anglo Plat needs to recognise a hierarchy of stakeholders, with communities being number one and go beyond legalities to meaningful interaction with communities.
- Anglo Plat needs to translate the MOU into an agreement with the community, on fixing houses, using community members, the citizens trust, and meeting procedures.
- BMF will continue to monitor the process to work towards building a model community engagement approach, that goes beyond useless consultation, to negotiation.

Way forward cont...

- Milieukontakt and Reinier de Man to do an evaluation later in the process.
- BMF will continue to develop Models around CSR, in this case community and mining engagement principles.
- This is the beginning of those principles with along way to go.
- BMF role in MOU is to witness Anglo Plats/community relations and to monitor.

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