



COAL

SOCIAL AND LABOUR PLAN

**RENEWAL NEW VAAL COLLIERY
FS 30/5/1/2/2 (182) MR**

PART ONE

Preamble

Real Mining. Real People. Real Difference.

1.1 Background

New Vaal Colliery is wholly-owned by Anglo Operations Limited (under its Anglo American Coal South Africa division). New Vaal Colliery is situated on the banks of the Vaal River in the Maccauvlei area immediately south of Vereeniging in the Free State Province. It was established in the 1980s in order to supply coal to Eskom's Lethabo power station until 2030. The operation uses opencast strip mining methods to remove coal that was left behind from underground extraction and currently mines three pits producing close to 18 million saleable tons (Mt) per annum.

Anglo American Coal South Africa holds the following rights with which New Vaal Colliery operates:

Mineral rights over the larger part of Vaal Basin - Block 1 under the **Cornelia 1** Prospecting Right – DMR Reference Number FS 30/5/1/1/2/(14) PR - which is a conversion of an old order prospecting right. This right was issued on 23rd November 2006 and lapsed on 22nd November 2011. An extension (renewal of the Prospecting Right) of this right for a further 3 years was applied for on 30th September 2011. The renewal was approved by the Minister on 6th December 2012 and executed on 12th February 2013. The right expires on 11th February 2016.

Anglo American Coal South Africa also holds the mineral rights over the northern part of Vaal Basin - Block 1 under the **Cornelia 2** Prospecting Right – DMR Reference Number FS 30/5/1/1/2/(21) PR - which is a conversion of an old order prospecting right. This right was issued on 7th December 2010 and lapses on 6th December 2015. An extension of this right for a further 3 years, to 7th December 2018, may be applied for.

Anglo American Coal South Africa holds the mineral rights over the north-eastern and northern fringes of Vaal basin - Vaalbank under the **Cornelia 3** Prospecting Right – DMR Reference Number FS 30/5/1/1/2/(20) PR - which is a conversion of an old order prospecting right. This right was issued on 28th January 2011 and lapses on 27th January 2016. An extension of this right for a further 3 years, to 27th January 2019, has been applied for.

1.2 Overview

This Social and Labour Plan (SLP) has been compiled in accordance with the Mineral and Petroleum Resources Development (MPRD) Act 28/2002 for the 5 year review of New Vaal Colliery Social and labour Plan. New Vaal Colliery is submitting this SLP to including the current Maccauclei East and West resources..

This SLP outlines the proposed mine's plans and objectives pertaining to:

- Human resources development
- Local economic development

- The management of downscaling and retrenchments

Progress against these plans and objectives will be reported annually through the Social and Labour Plan progress report.

The objective of this SLP is to indicate how New Vaal Colliery will:

- Promote economic growth and mineral and petroleum resources development in the Republic (Section 2 (e) of the (MPRDA)
- Promote employment and advance the social and economic welfare of all South Africans (section 2 (f) of the (MPRDA)

1.3 Our philosophy

Our philosophy is anchored on a strong pursuit to preserve and uplift the socio-economic well-being of our host communities. Our sustainable development principles define that we will:

- Be ethical, efficient and create value
- Create meaningful employment in safe, healthy environments
- Reduce our environmental footprint and contribute to biodiversity
- Increase innovation, technology and process involvement
- Contribute to building more adaptable societies

The objectives of the MPRD Act and the SLP are central to the strategic and operational parameters of New Vaal Colliery, and we will endeavour to meet these objectives for the benefit of our employees, our local communities, the mining industry and South Africa as a whole.

This SLP is intended to develop human potential and create opportunities for employees to sustain themselves, their families and their communities throughout their working lives. In addition, this plan will help to minimise the socio-economic impact of job losses in the communities surrounding New Vaal Colliery.

We plan to build skills that are recognised by the National Qualifications Framework and are portable outside of our employees' current employment. The success of this plan relies on both New Vaal Colliery and its employees taking responsibility for their well-being and energetically pursuing the opportunities available to ensure that their potential is realised.

New Vaal Colliery will support the well-being of its communities through feasible and sustainable initiatives that will be integrated into the local and district municipalities' Local Economic Development and Integrated Development planning processes.

1.4 Definitions

In the text that follows, these terms should be clearly understood:

- Anglo American Coal South Africa includes all employees at head office, technical divisions and mining operations, and is a wholly-owned division of Anglo Operations Limited
- Anglo American Coal South Africa operations include all operational and technical personnel, but exclude staff from our head office
- New Vaal Colliery is a specific operational entity and business unit of Anglo American Coal South Africa. This document follows Regulation 46 of the Mineral and Petroleum Resources Development Act (2002), which outlines the required content of the Social and labour Plan.

1.5 Particulars of the holder of the mining rights

Name of the company	Anglo American Coal South Africa
Name of the mine	New Vaal Colliery
Physical address	Mineral and Property Rights Department 17 th floor, 55 Marshall Street Johannesburg 2001
Postal address	Anglo Operations (Pty) Limited PO Box 61587 Marshalltown 2107
Telephone number	+27 (11) 638 3781
Fax number	+27 (11) 638 4608
Mine address	Old Heilbron Road Viljoensdrift 9580 Free State
Mine postal address	Private Bag X414 Three Rivers 1935
Telephone number	+27 (16) 450 7200
Mine fax number	+27 (16) 455 1004
Location of mine	New Vaal Colliery is situated in the Free State province between the towns of Vereeniging and Sasolburg. This area is part of the Metsimaholo Local Municipality.
Commodity	Coal
Life of mine	26 years
Breakdown of employees per sending area	Gauteng = 58% Free State = 36% Lesotho = 5% Other (Mpumalanga, Swaziland, Zimbabwe) = 1%
Financial year Reporting Period	January to December 2014 to 2018
Responsible Person	Mr. Zindela (Acting Free State DMR Regional Manager)
Geographic origin of employees (mine community and labour sending areas)	
(a) Mine Community	(b) Labour Sending Areas
Province Free State	Province Gauteng
District Fezile Dabi District	District Sedibeng District Municipality
Local Municipality Metsimaholo Local Municipality	Local Municipality Emfuleni

PART TWO

Human Resources and Development Programme

Real Mining. Real People. Real Difference.

2. Human resources and development programme

At Anglo American Coal South Africa, our aim is to be an employer of choice for people in the mining industry. As part of our drive to achieve this, we provide world class and sustainable education for employees across our business, while also extending our capacity-building initiatives to members of our host communities.

The safety of our employees is our top priority. In order to reach our goal of zero harm extensive focus has been placed on safety risk management training across the organisation.

2.1 Compliance with Skills Development Legislation

NAME OF THE SETA	Mining Qualifications Authority (MQA)
Registration Number with the SETA	L450714425
Confirmation of having appointed a Skills Development Facilitator	Patricia Rabie
Proof of submission of workplace skills plan and date of submission	30 May 2014
To which institution have you submitted your skills development plan	MQA

2.2 Skills Development Plan

We have an ISO 9001:2008 accredited training centre on site. As per SETA requirements, we submit a Workplace Skills Programme and Annual Training Report to the MQA every year. These were both accepted during 2014. The payment of levies and the claiming of grants are conducted in accordance with the provisions of the MQA. Levies paid in 2014 were R 4 754 333 and grants received were R 362 493.

2.2.1 Education levels of employees

New Vaal Colliery literacy profile is outlined in the table below:

Table 2.2.1 Number and education levels of employees: New Vaal Colliery

BAND	NQF	OLD SYSTEM	MALE				FEMALE				TOTAL	
			African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female
General Education and Training (GET)	1	Grade 3 / Std 1 / ABET 1	33	0	0	0	0	0	0	0	33	0
		Grade 5 / Std 3 / ABET 2	39	0	0	0	0	0	0	0	39	0
		Grade 7 / Std 5 / ABET 3	52	0	0	3	2	0	0	0	55	2
		Grade 9 / Std 7 / ABET 4	17	0	0	1	0	0	0	1	18	1
Further Education and Training (FET)	2	Grade 10 / Std 8 / N1	103	2	0	40	13	0	0	0	145	13
	3	Grade 11 / Std 9 / N2	68	1	0	12	8	0	0	0	81	8
	4	Grade 12 / Std 10 / N3	379	4	2	136	76	1	0	14	521	91
Higher Education and Training (HET)	5	Diplomas / Certificates	43	0	1	17	12	1	0	2	61	15
	6	First degrees / higher diplomas	25	0	0	5	14	0	0	1	30	15
TOTAL			759	7	3	214	125	2	0	18	983	145
1128												

2.2.2 ABET

New Vaal Colliery funds Adult-based Education and Training (ABET). Employees are encouraged to participate in ABET to improve their educational level. New Vaal Colliery's

current ageing workforce does present a challenge in terms of ensuring that all relevant employees complete the entire ABET programme up to level 4. The facility also offers the opportunity to enrol for Grade 12 studies and Exam through the DET.

The ABET facility is available to the Community. Currently the facility is mostly utilised by Community Members to obtain the Level 4 and Grade 12 qualifications.

Non-mining skills training is available to all retiring employees. Training is offered in the area requested by the retiring employee.

Table 2.2.2.1 ABET Training Plan (Employees)

ABET Level	Targets and timeline					Total Budget
	2015	2016	2017	2018	2019	
ABET 1						
ABET 2						
ABET 3	4	4	4	4	4	20
ABET 4						
Grade 12	5	2	2	2	2	13
Total Number	9	6	6	6	6	33

Table 2.2.2.2 ABET Training Plan (Community)

ABET Level	Targets and timeline					Total Budget
	2015	2016	2017	2018	2019	
ABET 1						
ABET 2						
ABET 3	10	10	10	10	10	50
ABET 4	24	25	25	25	25	124
Grade 12	67	30	30	30	30	187
Total Number	101	65	65	65	65	361

Table 2.2.2.3 Retiree Training Plan

	2015	2016	2017	2018	2019	Total Budget
Officials	8	1	5	4	5	23
Senior Skilled	1	7	2	2	2	14
Skilled	21	28	34	38	27	165
Total Number	30	36	34	38	27	165

2.2.3 Learnerships

Learnerships are advertised both on the colliery and externally to give members of our local community opportunities to participate in our learnership programme. Contracts are granted for the entire learnership period and where an opportunity exists qualifying learners are appointed as full-time artisans within the company. Preference is given to historically disadvantaged South African (HDSA) candidates.

Table 2.2.3.1 Learnerships (Internal)

Type/Area of training	Targets and timeline					
	2015	2016	2017	2018	2019	Total
Auto Electrical	3	1	1	1	0	6
Diesel Mechanic	5	2	1	1	0	9
Electrical	4	2	0	0	0	6
Fitting	2	1	0	0	0	3
Instrument Mechanician	2	1	1	1	0	5
Plater	1	0	0	0	0	1
Rigging	0	0	0	0	0	0
Total Number	17	7	3	3	0	30

Table 2.2.3.2 Learnerships (External)

Type/Area of training	Targets and timeline					
	2015	2016	2017	2018	2019	Total Budget
Auto Electrical	0	0	0	0	0	0
Diesel Mechanic	9	1	1	1	0	12
Electrical	4	1	0	0	0	5
Fitting	8	2	2	2	0	14
Instrument Mechanician	0	0	0	0	0	0
Plater	6	1	1	1	0	9
Rigging	2	0	0	0	0	2
Total Number	29	5	4	4	0	42

2.2.4 Skills Programmes

Skills programmes provide our employees with the technical skills required to meet our operational needs as well as aiding their personal goals for development.

Table 2.4.1 Skills Programmes

Type/Area of training	Targets and timeline					
	2015	2016	2017	2018	2019	Total
Safety Representative		60			60	120
Total Number		60			60	120

In addition we provide retirees and employees whose services are terminated due to medical reasons with portable skills training. Table 2.4.2 below reflect the targets in terms of this portable skills training. These training courses are provided on a voluntary basis and employees elect the type of training to be attended. Courses provided include, but are not limited to, motor mechanic training course, welding skills training and driving skills.

Table 2.4.2 Portable Skills Training

Type/Area of training	Targets and timeline					
	2015	2016	2017	2018	2019	Total
Portable skills training	16	7	9	13	21	66
Total Number	16	7	9	13	21	66

2.3 HARD TO FILL VACANCIES

At Anglo American Coal South Africa, we have initiated a number of capacity-building initiatives to become self-sufficient in the supply of labour. One of these initiatives is an in-house bursary scheme.

We continuously strive to provide training and development opportunities to address the critical skills shortage in South Africa and have created internal trainee positions for surveyors, ventilation, environmental and safety officers to develop these scarce skills internally.

The following positions are regarded as hard to fill within Thermal Coal:

- Geologists
- Electrical engineers
- Mechanical engineers
- Mining engineers
- Surveyors
- Metallurgists

Hard to fill vacancies are addressed through bursary allocation programmes, study assistance schemes and the provision of learnerships. Employees are encouraged to study in the fields where there is a scarcity of skills.

The table below reflects the roles that would be considered by New Vaal Colliery to be hard to fill should vacancies occur within these roles in the foreseeable future.

Table 2.3.1 Hard to Fill Vacancies

Occupational level	Job Title of vacancy	Main reason for being unable to fill the vacancy
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	Diesel Mechanic Rigger Boilermaker Technician	Scarce skill, limited individuals with qualification and required experience within industry

2.4 Career Progression

At New Vaal Colliery we continuously look for opportunities to further enhance our career development planning processes for employees. We strive to have generic career paths for all disciplines as per the Mining Charter’s requirements.

The company has also developed, implemented and communicated role profiles to all employees in Band 6 and above. In addition, we have extended role profiles to all our Professionals in Training (graduates who have just completed their academic studies) in Band 7.

A generic career path framework for first-line managers, managers of managers and senior leadership in the organisation has been embedded. The following tools have been established to assist the identified group, as mentioned above, with career progression within Anglo American.

- Career development panels per discipline allow for the alignment of individual's development along the discipline's career path.
- Individual development plans are reviewed bi-annually as part of the performance review cycle
- In 2012, we introduced changes to the way we manage the development of our people. These changes have delivered a common global capability framework for Anglo American plc namely the People Development Way. This sets out the behavioural attributes, knowledge, skills, experience and potential required to succeed as a company and as individuals. This framework and the new interactive development portal provides employees with the tools and information needed to help them take ownership of their career development.

In addition to the identified group mentioned, Emphasis is placed on developing and coaching senior-skilled employees to progress to first-line supervisors. The focus is specifically on HDSA employees to ensure that we prepare sufficient numbers of future leaders for the demands created by the growth of our company.

2.5 Coaching and Mentoring of employees

As per the Mining Charter's requirements, we have investigated further opportunities to enhance our mentorship programme. A refresher programme will allow for the better matching and closer monitoring of mentor-mentee relationships.

Employees, in the following categories, are afforded the opportunity to participate in mentoring relationships with an individual that they feel could add value to their growth and development. This occurs particularly at the following levels:

- All graduates brought into the organisation are assigned 'buddy' and technical mentors who provide support and guidance in the early stages of their careers
- Middle to senior management – aimed at employees in Bands 5 and 6
- Senior leadership – aimed at employees in Band 4 and above

The effectiveness of the mentoring relationship is monitored through our career development plans.

Coaching and mentorship development checklist

Item	Yes	No
Annual identification of coaching and mentoring requirements is aligned to career paths	x	
Appropriate guidelines are in place to administer the coaching and mentoring process	x	
A formal system is in place to monitor, evaluate and improve the coaching and mentoring process	x	
The provision of external coaching and mentoring	x	
A diverse group of trained coaches and mentors is in place	x	

Table 2.4.1 below provide an overview of the targets for coaching and mentoring training

Coaching & Mentoring	Targets and timeline					Total
	2015	2016	2017	2018	2019	
Mentoring training	14	10	7	5	5	41
Total Number						41

2.6 Bursaries and internships

New Vaal Colliery will continue to utilise the well-established Anglo American Anglo American Coal South Africa bursary scheme which aims to develop suitable students who, upon completion of their studies, are afforded professional career opportunities within our organisation.

We aim to attract bursars from the areas that surround our operations and have launched a number of drives to improve marks in Maths and Science among local learners for this reason. In addition, the scheme is open to the general public as well as the children and relatives of employees. Bursaries are awarded to those interested in studying the following disciplines:

- Geology
- Metallurgical and chemical engineering
- Electrical and mechanical engineering
- Mining engineering
- Mine surveying
- Industrial engineering
- Rock engineering
- Environmental management

- Finance and accounting

Budget provision for the company’s bursary and internship schemes is managed centrally. The budget is drawn up and approved on an annual basis, specifically to address the educational needs of the organisation. New Vaal Colliery contributes to funding these schemes and equally offers opportunities for trainees to gain experience during their training scheme.

Table2.6.1 Community Scholarship University of Science & University of Technology

Study Field	2015		2016		2017		2018		2019		Total Budget
	Cont.	New	Cont.	New	Cont.	New	Cont.	New	Cont.		
University of Science											
Selected field	4	2	4	0	4	0	4	4	4	8	

Furthermore a Community Scholarship Scheme has been established. This is accounted for in the LED chapter under the broader mine community development framework.

2.7 Employment Equity

Our employment equity profile is outlined in the table below.

Table 2.7.1 Employment Equity Scorecard for New Vaal Colliery (2014)

New Vaal Colliery as at December 2014																	
Occupational Level	African		Coloured		Indian		White	Disabled		Subtotal HDSA	White	Grand Total	% HDSA	2014 Mining Charter Target	Foreign Nationals		Total
	M	F	M	F	M	F	F	M	F		M				M	F	
Top Management	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Senior Management	1	0	1	0	0	0	2	-	-	4	1	5	57.14%	40%	2	0	7
Middle Management	13	4	1	0	1	0	5	-	-	24	22	46	47.05%	40%	3	2	51
Junior Management	18	1	0	0	1	0	0	-	-	20	20	40	50.00%	40%	0	0	40
Core & Critical Skills	638	110	5	2	2	0	15	-	-	774	195	969	76.18%	40%	45	2	1016
Total of the above	670	115	7	2	4	0	22	-	-	822	238	1060	73.79%	40%	50	4	1114

2.7.2 Annual HDSA Progressive Targets – New Vaal Colliery

Occupational Levels	2015	Minimum progress to be achieved	2016	Minimum progress to be achieved	2017	Minimum progress to be achieved	2018	Minimum progress to be achieved	2019	Minimum progress to be achieved
Senior Management	67%	50%	67%	50%	67%	50%	67%	50%	67%	50%
Middle Management	60%	58%	62%	60%	64%	62%	66%	64%	68%	66%
Junior Management	62%	60%	64%	62%	66%	64%	68%	66%	70%	68%
Core Skills	85%	83%	85%	83%	85%	83%	85%	83%	85%	83%

The table above indicates the targets based on the figures submitted in the EE Scorecard for New Vaal Colliery i.e. excluding foreign nationals.

PART THREE

Local Economic Development Programme

Real Mining. Real People. Real Difference.

3. Local Economic Development Programme

New Vaal Colliery is committed to delivering improvements in the social and human capacities of the people who live in the areas surrounding it, not only to maintain its social licence to operate, but to create real opportunities for economic and social advancement.

The following sources were utilised to compile this chapter:

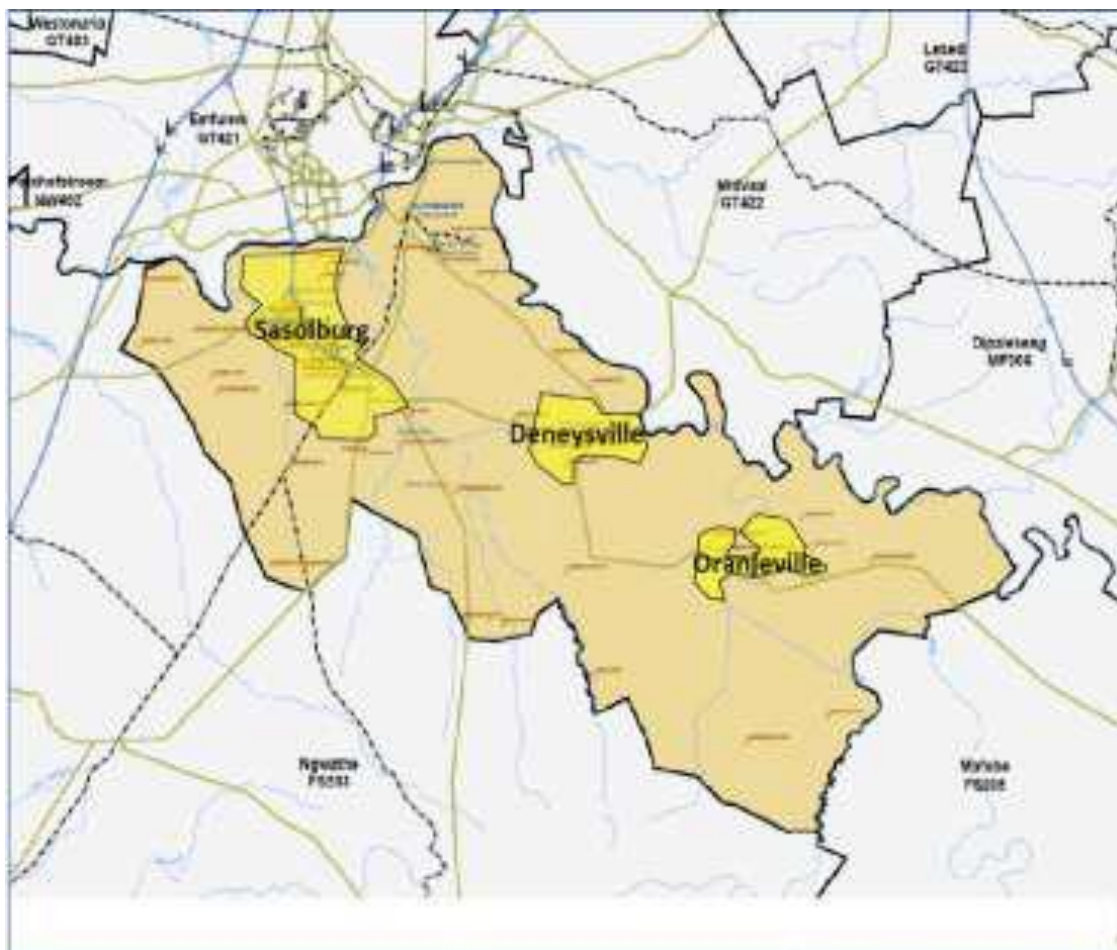
- Metsimaholo Local Municipality Integrated Development Plan 2014/15
- Fezile Dabi District Municipality Integrated Development Plan 2012 - 2017

3.1. Socio-Economic Background Information

New Vaal Colliery operates in the Free State Province, South Africa. Because New Vaal Colliery is the only Anglo American Coal South Africa operation in the Metsimaholo Local Municipality, the socio-economic background differs from the other Anglo American Coal South Africa operations in the Mpumalanga Province.

The area of jurisdiction of the Metsimaholo Local Municipality is situated in the northern part of the Fezile Dabi District Municipality Region. The former Sasolburg, Deneysville and Oranjeville Transitional Local Councils and a section of the Vaal Dam Transitional Rural Council are included in the Metsimaholo Region.

Figure 1: Metsimaholo Local Municipality Area Map



Metsimaholo Municipal Area

The Metsimaholo Local Municipality came into existence after the elections that took place on 5 December 2000. It is a Category B municipality and is one of the local municipalities in the Free State Province.

The area of jurisdiction of the Metsimaholo Local Municipality is situated in the northern part of the Fezile Dabi District Municipality Region. The former Sasolburg, Deneysville and Oranjeville Transitional Local Councils and a section of the Vaal Dam Transitional Rural Council are included in the Metsimaholo Region. The largest urban unit is Sasolburg followed by Deneysville and Oranjeville. A number of small villages, in the vicinity of Sasolburg, also form part of the Metsimaholo Region. These villages are privately managed. The legal status of these villages is that of a single erf and mining related companies administer the majority.

The general tendency of migration from rural to urban areas is also occurring in the area, as is the case in the rest of the Free State Province. The majority of the rural population is active within the agricultural sector. Regarding the population distribution the area is largely urbanized (91% urban and 9% rural). This tendency is directly related to the strong industrial and manufacturing character of the region. It subsequently explains the continuous urban growth experienced in Zamdela.

Sasolburg is located in the heart of world renowned coalfields. This modern and predominantly industrial town is further located in close proximity (20km) to the nationally well-known industrial areas of Vereeniging / Vanderbijlpark. The Sasolburg / Zamdela urban area is 340km from Bloemfontein and 80km from Johannesburg. Apart from the internationally known SASOL “oil from coal refinery”, a vast number of by-products including olefins, waxes, alcohols, tar products, inorganic chemicals, rubber, gases, plastics, fertilizers, etc are manufactured in the area.

Socio Economic Profile of Metsimaholo Local Municipality

The total estimated residents in the Metsimaholo Region, according to Council preferred data is 149 109. The largest urban unit is Sasolburg followed by Deneysville and Oranjeville.

Table 3.1.1 MLM Population and Households

	Census 2001	Global Insight (GI) 2007	Census 2011
Population	115955	137481	149109
Households	32260	38768	45755

The MLM population shows an increase of 33 154 or 28.6% from 2001 to 2011 whilst the number of households also increased by 13 495 or 41.8 over the same period.

Table 3.1.2 MLM Racial Distribution of Population

	Black African	White	Coloured	Indian	Other
Census 2001	81.0%	18.3%	0.5%	0.2%	0.0%
GI 2007	80.1%	19.2%	0.5%	0.2%	0.0%
Census 2011	82.3%	16.4%	0.7%	0.3%	0.3%

Population Profile

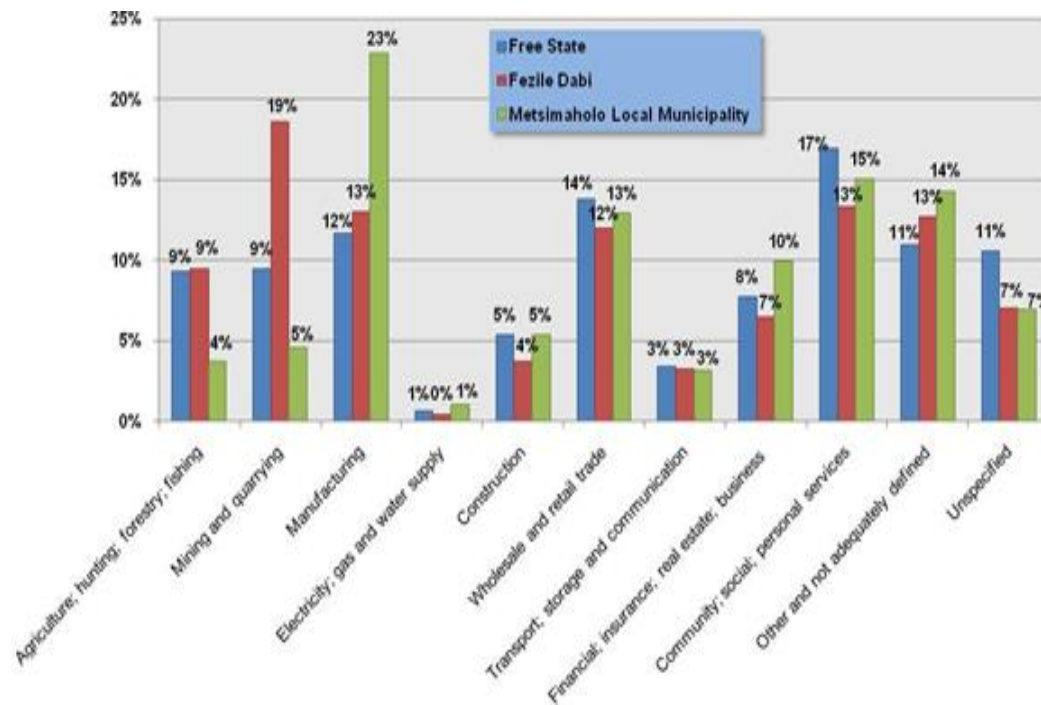
Over 80 percent of the Metsimaholo municipality’s population is Black, with just less than 20 percent being White. Asian and Coloured populations account for less than 1% of the total population of the municipality.

About 48% of the population is below 24 years old. A further 40% is aged between 25 and 54 years old, 17% between 45 and 64 years and 5% is 65 years and older. Sesotho (69%) appeared to be the most commonly used language to a lesser extent other used languages are Afrikaans (14%), isiXhosa (6%) and English (3%).

Economic Profile

Free State is represented in the production output of all sectors making the top five provinces in four sectors namely; mining of gold and uranium ore (1), agriculture and hunting (3), Fuel, petroleum, chemical and rubber products (4), and Electricity, gas, steam and hot water supply (5).

Figure 2: Economic Profile Free State Province, FDDM and MLM



The regional economy is dominated by heavy industry and mining. Steel manufacturing and beneficiation industries are dominant in the region and chemical industries are dominant in Sasolburg. The main employers in the Vereeniging-Sasolburg-Vanderbijlpark area are Arcelor-Mittal (steel), Eskom and Anglo American (power and supporting coal industries), Rand Water (regional water schemes), Sasol Chemicals, Natref Petroleum Refinery and a number of other industrial developments, mostly involved in steel products and by-products.

The Vaal River is also used as a tourist attraction with venues like Emerald Casino and the Vaal Racecourse and generates several employment opportunities for the local population. However the predominant employer sector is the manufacturing industry.

Table 3.1.3 MLM Key Economic Activities

Activity	Percentage of Employment
Agriculture, Hunting, Forestry and Fishing	4%
Mining and Quarrying	5%
Manufacturing	23%
Electricity, Gas and Water Supply	1%
Construction	5%
Wholesale and Retail Trade	13%
Transport, Storage and Communication	3%
Financial, Insurance, Real Estate	10%
Community and Social Services	15%
Other and not specifically defined	21%

Education Levels

Nearly a third (30%) of the population has Grade 8 or an equivalent qualification, whilst exactly the same proportion had primary education. Twenty one percent (21%) have matric or an equivalent qualification whilst a further 7% have tertiary education, whilst 11% have no schooling.

Table 3.1.4 MLM Functional Literacy Levels

Global Insight	Literate Number	Literate Percentage (%)	Illiterate Number	Illiterate Percentage (%)
1996	47 763	73.3	17 417	26.7
2001	56 122	73.0	20 810	27.0
2006	68 308	78.0	19 316	22.0
2009	74 094	80.1	18 409	19.9

Metsimaholo Local Municipality Employment Profile

According to the MLM IDP 2014/15 the number of employed people in the municipality has increased by 41% between 2001 and 2011 and the unemployment rate has increased by 7.6% during the same period .The table below indicates the employment status of the municipality.

Table 3.1.5 MLM Employment Profile

	Census 2001	Global Insight (GI) 2007	Census 211
Employed	31 486	42 189	44 260
Unemployment Rate	24.5%	17.1%	32.1%
Economically Active Population	49 998	49 885	65 208
EAP as % of the Total Population	43.1%	36.3%	43.7%

Income Profile

Less than a quarter 17.7% of the employed population of MLM survive on a monthly household income of between R1 – R4 800 and around 43% do not receive any household income.

Table 3.1.6 MLM Annual Personal Income

Census 2011		
Annual Income	Number of People	Percentage (%)
No Income	56 670	43.0
R1 – R4 800	23 257	17.7
R4 801 – R9 600	5 237	4.0
R9 601 – R19 600	15 153	11.5
R19 601 – R38 200	10 068	7.6
R38 201 – R76 400	7 516	5.7
R76 401 – R153 800	6 382	4.8
R153 801 – R307 600	4 898	3.7
R307 601 – R614 400	1 840	1.4
R614 401– R1 228 800	443	0.3

R1 228 801 – R2 457 600	163	0.1
R2 457 601 or more	113	0.1
Total	115 978	100

INFRASTRUCTURE

Housing

According to the MLM IDP 2014/2015 the majority of houses in the municipality are stand-alone structures made of bricks (76%). To a lesser extent, there were back yard structures (16%) which also seemed to be commonly found.

Table 3.1.7 MLM Types of housing

Type of main dwelling	Percent
RDP house or subsidy not in backyard	37%
Owner-built house, formal type, good quality, 6-10 rooms	19%
Formal house built by government, municipality	19%
Owner-built house, formal type, good quality, 2-5 rooms	9%
Other	4%
Formal backyard structure (including RDP)	3%
Shack owned by resident	3%
Rented room in formal house	2%
PHP formal type house built by owner or owner builder with govt. assistance	2%
Owner-built house, formal type, good quality, more than 10 rooms	1%
Rented flat or space in flat or in cluster housing	1%

As can be seen in the table above, most families live in RDP houses. Just under a fifth (19%) either live in owner built houses with 6-10 rooms or formal houses built by government or municipality. About 9% said they live in owner built houses with 2- 5 rooms.

Water

Access by households to potable piped water inside the dwelling and yard showed a positive movement and increased from 81.0% in 2001 to 93.8% in 2011, whilst piped water outside the yard decreased from 17.8% to 5.3% over the same period.

Table3.1.8 MLM Percentage distribution of households by water source

	Census 2001	Census 2011
Piped water in the house and yard	81.0%	93.8%
Piped water from access point outside the yard	17.8%	5.3%
Other	1.2%	0.9%

Sanitation

The table below (taken from the Metsimaholo local municipality IDP 2012/13 - 2016/17) show that the municipality has made notable strides in increasing the access by residents to basic sanitation services.

Table: 3.1.9 MLM Household Sanitation

	Census 2001	Census 2007	Census 2011
Flush Toilet	69.9%	88.2%	75.6 %
Pit latrine with ventilation (VIP)	1.5%	8.7%	0.4%
Pit latrine without ventilation	13.5%	-	16.3%
Bucket latrine	4.7%	1.4%	3.3%
None	10.3%	0.5%	1.3%
Other	0.1%	1.2%	3.1%

Electricity

The 2011 Census information shows that more households utilize electricity for heating, lighting and cooking compared to the status quo in 2001. 67.7% of households used electricity for heating, 86.4% for lighting and 83.1% for cooking in 2011.

3.2 Other Mining Companies around New Vaal Colliery

Mining Company	Commodity
S Bothma & Sons Transport (Pty) Ltd FS 0006 MR	Sand
S Bothma & Sons Transport (Pty) Ltd FS 161 MR	Sand General
S Bothma & Sons Transport (Pty) Ltd FS 239 MR	Sand general
Copper Sunset Trading (Pty) Ltd FS 164 MR	Sand General
Sasol Mining (Pty) Ltd FS 224 MR	Coal
Mission Point Trading 41 (Pty) Ltd FS 239 MR	Silica sand & Silica (general)

3.3 Possible Impact on the Mining Operations

Possible Impact	Negative	Yes	No	If Yes, how will you address it?
Exhumation of graves		X		Relocation to be conducted in consultation with affected individual families. The process will be conducted according to social norms and cultural values and adequate time will be invested in the process. All legislative requirements will be complied with. The process will take place under the supervision of an Archaeologist.
Influx of people		X		Partner with the District Municipality and the Local Municipality and their RDP administrators in dealing with influx issues within their areas of responsibility.
Increased pressure on public services		x		Endeavour to employ locally where possible to mitigate the possibility of increased pressure on public services

3.3.1 Environment and Communities

New Vaal Colliery will continue to subscribe to the Anglo American Good Citizenship Principles, Social and Environment Ways - which are standards and values on how our business is conducted. We will aim to:

- Promote strong relationships with and enhance the capacities within the communities where the mine operates
- Seek regular engagement with the community around issues that affect them
- Support upliftment projects that reflect the priorities of local people and support the principles of sustainability and cost effectiveness

3.4 Community Priority needs of the area

Priority Need	Specific needs	Intervention	Responsibility
1. Water	<p>Portable water connections to yards (<i>particularly newly developed areas</i>)</p> <ul style="list-style-type: none"> Upgrading water reticulation infrastructure to cope with urban development Water purification Fixing water leakages to prevent water losses 	Enhance storage capacity (reservoirs), treatment plants and control measures to ensure water conservation particularly through upgrading household meters.	Metsimaholo Local Municipality
2. Electricity	<ul style="list-style-type: none"> Street lighting / High mast lights Underground cabling of electricity connections to prevent cable theft Upgrading electricity sub-station and high mast lights Provision of vending points Upgrading of electricity sub-stations to cope with current urban developments 	Upgrade bulk infrastructure (additional substations), street lights and connections to households.	Metsimaholo Local Municipality
3. Roads and storm water drainages / channels	<ul style="list-style-type: none"> Tarred or paved roads with storm water channels and upgrading of existing storm water channels Building bridges in identified areas Speed humps to control speeding in densely populated 	Construction of sidewalks and storm water channels (FDDM/Metsimaholo)	Metsimaholo Local Municipality and Fezile Dabi District Municipality

	<p>areas</p> <ul style="list-style-type: none"> • Provision of road traffic signs • Naming of streets 		
4. Sanitation	<ul style="list-style-type: none"> • Sewer infrastructure and water borne toilets • Upgrading houses to main sewer connections to prevent blockages and to keep up with new urban development and growth 	Upgrade sewerage plants	Metsimaholo Local Municipality
5. Health	<ul style="list-style-type: none"> • Upgrade existing clinics and provide new clinics • Sufficient nursing staff for clinics • Provision of more ambulances and mobile clinics • Need for regular health inspections 	Appointment of HCT data capturers in all sub-districts	Metsimaholo Local Municipality
6. Housing and Land availability	<ul style="list-style-type: none"> • Provision of low cost houses • Repair the newly built RDP houses • Upgrading the current hostels into proper residential units • Facilitation of change of property ownership • Land for settlement purpose • Land for agricultural purpose 	Implement housing strategy	Metsimaholo Local Municipality
7. Waste removal	<ul style="list-style-type: none"> • Eradication of illegal dumping sites and imposing penalties • Regular removal of 	Upgraded dumping sites and designating sites according to proper classification, such as, household, chemical and industrial waste	Metsimaholo Local Municipality

	refuse		
8. Cemeteries	<ul style="list-style-type: none"> • Land for new graveyards • Fencing of graveyards • Upgrading and maintenance of existing graveyards 	Extensions and new sites to be developed to keep up with increasing demand.	Metsimaholo Local Municipality
9. Safety and security	<ul style="list-style-type: none"> • Provision of satellite and mobile police stations • Traffic lights at identified intersections 	Establish police stations, magistrate offices and correctional services facilities.	Metsimaholo Local Municipality

Source: METSIMAHOLO MUNICIPALITY: IDP 2014/15

3.5 Local Economic Development Projects

New Vaal Colliery will invest considerably in projects and programmes that will seek to address the current needs of the area as identified by the Metsimaholo municipality. Possible projects that have been identified with the Metsimaholo municipality are listed below. Some of these projects are still undergoing feasibility studies and hence the opportunities and projection of investment within these projects may require amending as and when clarity is secured on the projects' viability, feasibility and sustainability. These projects include:

- Maths and Science Incubator Programme - education skills development
- Entrepreneur and Business Development Programme – enterprise development and income generation
- Community bursary scheme – Education
- Technical Skills Development Programme – Capacity development
- Expansion of Refengkgotso Clinic – Health Services

Project 1

Project Name: Learner Development Programme Maths and Science				Skills Development			
<p>Background: In the past few years the Matric Maths and Science performance of the local schools in the Metsimaholo Local Municipality has been dismal. Education today plays a critical role in the development of our societies and local economy. This is true in the world's most advanced economies as well as in those currently experiencing periods of rapid growth and development. Human capital has long been identified as a key factor in driving economic growth and improving economic outcomes for individuals.</p> <p>In a world where every aspect of life is increasingly dependent on English, Mathematics and Science, stronger primary, secondary and tertiary education has become increasingly important to the future of our youth and our country. This programme will provide supplementary learning to local high school learners through the provision of Saturday School, Winter School, Matric Revision and Pre-Examination Programmes. These programmes are tailored specifically to cater for Grades 10, 11 and 12. Star Schools subscribes to the Department of Education curriculum guidelines.</p>							
Geographical Location of Project	District Municipality Fezile Dabi District Municipality	Local Municipality Metsimaholo Local Municipality	Catchment Area Deneysville, Zamdela, Oranjeville	Project Start date: Jan - 2015		Project end date: Dec 2019	
Output Improve Maths and Science Grade 10, 11 and 12 results	Key Performance Area	Key Performance Indicators Improved Maths and Science pass rate in Metsimaholo Local High Schools. Increase in University enrolment for Science and Engineering Degrees.	Responsible Entity (Inclusive of all role players) New Vaal Colliery, Metsimaholo Local Municipality, Fezile Dabi District, Department of Education, Star Schools	Quarterly timelines and Year	Quarterly timelines and Year	Quarterly timelines and Year	Budget: R4 700 000
Classification of jobs	No. of Jobs creation	Male Adults	Female Adults	Male Youth	Female Youth	Total	Comments
Short term	8	2	2	1	3	8	
Medium Term	8	2	2	1	3	8	
Long Term	8	2	2	1	3	8	

Project 2

Project Name: Technical Skills Development Programme			Skills Development				
<p>Background: Skills shortage has been identified as one of the key barriers to employment in an attempt to offer skills training that would equip the beneficiaries with the tools to assist them with immediate employment opportunities and prospects. We have identified a skills programme that is designed to meet the skills requirement of the region.</p> <p>Welding is recognised as a Critical Scarce Skill within our economy and so offers, in our opinion, the fastest return on initial investment. According to the latest merSETA Sector Skills Plan Update 2014/2015 – 2018/2019 “Promoting Artisan Development for Employability” the welding trade is listed in the top ten critical skills shortage under the OFO (Organising Framework for Occupations) code 651202. The welding trade and skill also overlaps the Mining, Chemical as well as Manufacturing and Engineering sectors of the economy. Within the Vaal triangle region, the majority of organisations fall within the Manufacturing and Engineering related industries of our economy and thus the greater employment prospects will come from this sector.</p>							
Geographical Location of Project	District Municipality	Local Municipality	Catchment Area	Project Start date: Jan - 2015		Project end date: Dec 2019	
	Fezile Dabi District Municipality	Metsimaholo Local Municipality	Zamdela, Harry Gwala, Oranjeville, Refengokts, Deneysville, Viljoensdrift				
Output	Key Performance Area	Key Performance Area:	Responsible Entity (Inclusive of all role players)	Quarterly timelines and Year	Quarterly timelines and Year	Quarterly timelines and Year	Budget:
13 Certified Carbon Steel Plate (Structural Welding) Skills Programme SP 0690/12 – 17 NQF Level 2; 50 Credits And Carbon Steel Track Welding for Coding Skills Programme SP 0689/12 – 17 NQF Level 3; 79 Credits	Use and care for engineering power tools Weld carbon steel work pieces using the Shield Metal Arc welding process in the downhand position Weld carbon steel work pieces using the Shield Metal Arc welding	Use and care for engineering power tools Weld carbon steel work pieces using the Shield Metal Arc welding process in the downhand position Weld carbon steel work pieces using the Shield Metal Arc welding	New Vaal Colliery				Budget: R5 000 000 spread over 5 years

	<p>process using all positions</p> <p>Weld carbon steel work pieces using the Gas Tungsten Arc welding process in the downhand position</p> <p>Weld carbon steel work pieces using the Gas Tungsten Arc Welding process in all positions</p> <p>Weld carbon steel pipe using the Gas</p>	<p>process using all positions</p> <p>Weld carbon steel work pieces using the Gas Tungsten Arc welding process in the downhand position</p> <p>Weld carbon steel work pieces using the Gas Tungsten Arc Welding process in all positions</p> <p>Weld carbon steel pipe using the Gas</p>					
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Project 4

Project Name: Community Scholarship Scheme				Education Project			
<p>Background: To address the critical skills shortage in South Africa we continuously strive to provide training and development opportunities. Our aim is to be an employer of choice for people in the mining industry and to achieve this; we provide world class and sustainable education for deserving members of our host communities.</p> <p>The bursary allocation programmes is designed to address hard to fill vacancies and to make the beneficiaries marketable as local community members are encouraged to study in the fields where there is a scarcity of skills.</p>							
Geographical Location of Project	District Municipality Fezile Dabi District Municipality and Sedibeng District Municipality	Local Municipality Metsimaholo Local Municipality Sedibeng Local Municipality	Catchment Area; Zamdela, Oranjeville, Deneysville, Viljoensdrift, Sebokeng, Sharpeville	Project Start date: Jan - 2015		Project end date: Dec 2019	
Output 5 Bursaries per annum	Key Performance Area University Degrees in: Mine Engineering, Mechanical Engineering, Electrical Engineering, Metallurgy, Geology, Surveying	Key Performance Area: University Degrees in: Mine Engineering, Mechanical Engineering, Electrical Engineering, Metallurgy, Geology, Surveying	Responsible Entity (Inclusive of all role players) New Vaal Colliery, Department of Education	Quarterly timelines and Year	Quarterly timelines and Year	Quarterly timelines and Year	Budget: R3 500 000 R700 000 per annum
Classification of jobs	No. of Jobs creation	Male Adults	Female Adults	Male Youth	Female Youth	Total	Comments
Short term		-	-	-	-	-	
Medium Term		-	-	-	-	-	
Long Term		-	-	-	-	-	

Project Name: Expansion of Refengkgotso Clinic				Health Services			
<p>Background: The Refengkgotso Clinic is situated in Deneysville and is one of the older clinics within the Fezile Dabi District and Metsimaholo Local Municipality. The clinic services the communities of Refengkgotso, Deneysville, Viljoensdrift, Heilbron and Oranjeville. Due to the growth in population of the areas that the clinic services the clinic now struggles to provide quality and efficient service due to the infrastructure constrains</p> <p>Advantages of Clinic</p> <ul style="list-style-type: none"> • Clinic is existing and operational • Clinic is resourced in terms of personnel • Centrally located to provide services to he communities mentioned • Adequate land available within the clinic perimeter for expansion <p>Disadvantages of Clinic</p> <ul style="list-style-type: none"> • Current condition restrict s the provision of quality and efficient health services 							
Geographical Location of Project	District Municipality Fezile Dabi District Municipality	Local Municipality Metsimaholo Local Municipality	Catchment Area; Refengkgotso, Deneysville, Viljoensdrift,, Oranjeville, Heilbron Deneysville	Project Start date: 2016		Project end date: -2017 R5 000 000 spread over 2 years	
Output	Key Performance Area	Key Performance	Responsible Entity (Inclusive of all role players)	Quarterly timelines and Year	Quarterly timelines and Year	Quarterly timelines and Year	Budget: R5 000 000
<ul style="list-style-type: none"> • Drawing for the Expansion • Extension and shelving pharmacy • Additional Doctors room • Extension of the waiting area • 2 Consulting 	<p>Increase the number of patients attended to and consulted per day</p> <p>Improve quality health care services</p> <p>Offer public education on health and wellness</p> <p>Provide health</p>	<p>Increase the number of patients attended to and consulted per day</p> <p>Improve quality health care services</p> <p>Offer public education on health and wellness</p> <p>Provide health screening services</p>	<p>New Vaal Colliery,</p> <p>Fezile Dabi District Department of Health Metsimaholo Local</p>				

<p>rooms</p> <ul style="list-style-type: none"> • Renovation of the Kitchen • 	<p>screening services such as blood pressure check, diabetes check and eye testing.</p> <p>Accommodate more people in the waiting area</p> <p>Improved storage capacity of medication by the pharmacy</p>	<p>such as blood pressure check, diabetes check and eye testing.</p> <p>Accommodate more people in the waiting area</p> <p>Improved storage capacity of medication by the pharmacy</p>	<p>Municipality,</p>				
<p>Classification of jobs</p>	<p>No. of Jobs creation</p>	<p>Male Adults</p>	<p>Female Adults</p>	<p>Male Youth</p>	<p>Female Youth</p>	<p>Total</p>	<p>Comments</p>
<p>Short term</p>	<p>30</p>	<p>5</p>	<p>5</p>	<p>10</p>	<p>10</p>	<p>30</p>	
<p>Medium Term</p>	<p>45</p>	<p>6</p>	<p>9</p>	<p>15</p>	<p>15</p>	<p>45</p>	
<p>Long Term</p>	<p>60</p>	<p>10</p>	<p>10</p>	<p>20</p>	<p>20</p>	<p>60</p>	

3.6 Housing and Living Conditions

3.6.1 Housing at New Vaal

New Vaal Colliery employs the Anglo American strategy and vision of home ownership. As a result, we wish to move away from housing provision entirely and to ensure that employees are accommodated in their own formal accommodation located within the metropolitan frameworks of the regions where our new and existing operations are based.

The primary aims of this vision are to:

- Support the integration of future corporate social investment activities within the regional municipal framework and infrastructure development
- Assist the Chamber of Mines to meet the Housing Forum commitments and to ensure that the Social and Labour Plan and Mining Charter's obligations are met and are sustainable
- Enhance the social and economic sustainability of the regions in which Anglo American Coal South Africa operates through a housing model that is integrated within the greater metropolitan centres and aligned with the Integrated Development Plans for those regions

Key challenges:

- Lack of affordable housing which encourages employees to remain in mine-provided accommodation in unsustainable areas
- Lack of accessibility to loan facilities
- Bulk infrastructure costs and constraints which have delayed the delivery of serviced stands for residential developments in sustainable areas and which have added to the cost of housing and selling prices
- Limited municipal resources, particularly funding and capacity, to provide infrastructure and services for residential developments

Housing Action Plan

This plan is based on the following pillars and is aimed at supporting the transition from housing provision to home ownership:

- The adjustment of housing allowances in line with market conditions to encourage employees to relocate to sustainable residential settlements in established areas

- To support bulk infrastructure development within the local municipal spatial framework with funding and technical expertise to fast-track the delivery of housing and contain house prices within acceptable levels
- To specifically source and support housing delivery within metropolitan urban areas that will be sustainable in the longer term
- To facilitate and market home ownership to all employees

Table 3.6.1.1 New Vaal Colliery Housing and Living Conditions 2014

New Vaal Colliery Housing Progress as at December 2014		
Mining Charter Requirement	SLP Commitments	Progress to Date
Convert or upgrade hostels into family units by 2014	<ul style="list-style-type: none"> • 100% Achieved 	<ul style="list-style-type: none"> • All other families within company accommodation are housed in 3 or 4 bedroom houses either within the operation's two other villages Bertha and Richmond or within Vaal Park, Sasolburg
Attain the occupancy rate of one person per room by 2014	<ul style="list-style-type: none"> • 100% Achieved 	<ul style="list-style-type: none"> • All occupants being accommodated in New Vaal Colliery's previous hostel do so on a single occupancy rate
Facilitate home ownership options for all mine employees in consultation with organised labour	<ul style="list-style-type: none"> • All employees are offered a housing allowance 	<ul style="list-style-type: none"> • 85.2 % of employees stay in own or rented accommodation in urban areas

Table 3.6.1.2 New Vaal Colliery Employees on Own Accommodation vs. Company

Accommodation

	% Own Accommodation	% Company Accommodation
Officials	87.2%	12.8%
Senior Skilled	84.3%	15.7%
Skilled	84.2%	15.8%
TOTAL	85.2%	14.8%

Table 3.6.1.3 Break down Occupation company accommodation December 2014

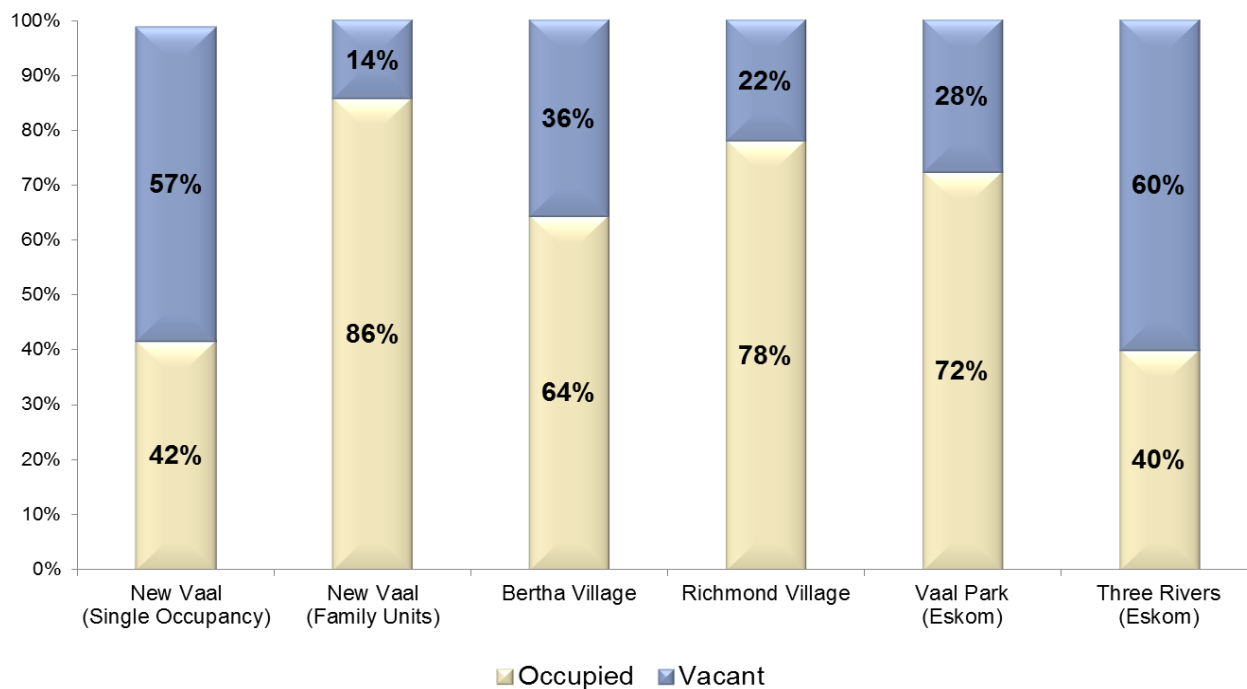


Table 3.8.4 Housing and living conditions over a 5 year period

	2015	2016	2017	2018	2019
Home Ownership	50%	50%	52%	60%	70%
Mine Accommodation	17%	15%	12%	10%	8%
Other	33%	35%	36%	28%	22%

Table 3.8.5 Company Accommodation occupancy rate

	2015	2016	2017	2018	2019
Single Quarters	6%	4%	2%	0%	0%
Family Units	11%	11%	10%	10%	10%

PART FOUR

Management of downscaling and retrenchments

Real Mining. Real People. Real Difference.

4. Management of downscaling and retrenchments

In looking to manage any downscaling or retrenchment of employees at the operation, New Vaal Colliery management will adopt an approach that such a programme will only commence once all other viable alternate options short of retrenchments have been investigated.

As a means of communicating and managing such retrenchments particularly with regards to mine closure New Vaal Colliery has established a future forum in 2013. This forum is chaired by New Vaal Colliery's General Manager and consists of the following representatives:

- Mine management – General Manager, Finance, Human Resources, Environment, Community Development
- Employees representatives – NUM, UASA, Solidarity
- Government authorities – DMR
- Local/ district municipality – Fezile Dabi District Municipality and Metsimaholo Local Municipality

4.1 Mechanisms of retrenchment

Anglo American Coal South Africa and New Vaal Colliery will comply with all legislative requirements and would initiate inter alia the following processes:

- Consultation and notifying with all relevant stakeholders;
- The implementation of section 189 of the Labour Relations Act, 1995

4.2 Communicating retrenchments

Anglo American Coal South Africa and New Vaal Colliery would look to embark on the following in terms of a communication strategy:

- Informing employees of possible retrenchments
- Informing other interested and affected parties, including sending areas and local municipalities, of possible retrenchments at the operation
- Informing external parties of possible retrenchments

4.3 Mechanisms to ameliorate social and economic impact

Where retrenchments or closure of the operation is imminent, the company will comply with the relevant legislation, its policies and procedures. The mine would put in place the following process to ameliorate the social and economic impact on individuals, regions and economies:

- Assessment and counselling services for affected employees
- Comprehensive self-employment training programmes
- Comprehensive training (non-mining skills) and re-employment programmes

PART FIVE

Financial provision

5. Financial Provision

The following tables provide information on the financial provision allocated to New Vaal Colliery's human resource development programme and local economic development.

Table 5.1.1 New Vaal Colliery Financial Provision for Human Resource Development

Programme	2015	2016	2017	2018	2019	TOTAL
Skills Development Levies Act	R2 541 528	R2 744 850	R2 964 438	R3 201 593	R3 457 720	R14 910 129
Learnerships	R20 435 805	R21 457 595	R22 530 475	R23 656 988	R24 839 848	R112 920 711
Internal Training Programme	R10 037 541	R10 539 418	R11 066 388	R11 619 708	R12 200 693	R55 463 748
External Training Programme	R9 127 444	R9 585 816	R10 063 007	R10 566 157	R11 094 465	R50 436 889
ABET Training	R1 263 717	R1 326 903	R1 393 248	R1 462 910	R1 536 055	R6 982 833
TOTAL	R43 406 035	R45 654 582	R48 017 556	R50 507 356	R53 128 781	R240 714 310

5.1.2 Local Economic Development Project New Vaal Colliery

Project	2015	2016	2017	2018	2019	TOTAL
Learner Development Programme Maths and Science	R1 100 000	R1 200 000	R1 200 000	R1 200 000	-	R4 700 000
Business Development Programme	R834 000	R1 036 000	R1 100 000	R1 200 000	-	R4 170 000
Technical Skills Programme	R520 000	R520 000	R52 000	R520 000	R520 000	R2 600 000
Community Bursary Scheme	R700 000	R700 000	R700 000	R700 000	R700 000	R3 500 000
Refengkgotso Clinic Extension	-	R3 000 000	R2 000 000	-	-	R5 000 000
TOTAL (R's)	R3 154 000	R6 456 000	R6 720 000	R3 620 000	R1 120 000	R19 970 000

5.1.3 Financial Provision Summary

Item	2015	2016	2017	2018	2019	TOTAL
Human Resources Development	R43 406 035	R45 654 582	R48 017 556	R50 507 356	R53 128 781	R240 714 310
Local Economic Development	R3 154 000	R6 456 000	R6 720 000	R3 620 000	R1 120 000	R19 970 000
Management of Downscaling	R43 958 131	R46 156 038	R48 463 839	R50 887 031	R53 431 383	R242 896 422
TOTAL (R's)	R79 814 600	R86 949 630	R90 038 311	R92 364 226	R94 037 437	R443 204 204

5.2 Management of downscaling and retrenchments

Table 5.3 Financial provision for management of downscaling and retrenchments

No.	Process	Remarks
1	Consultation with stakeholders	Financial provision will be made available for all the processes involved in managing downscaling and retrenchments
2	Informing employees of possible retrenchments	
3	Informing other affected parties	
4	Informing outside parties	
5	Assessment and counselling services for affected employees	
6	Self-employment training programmes	
7	Life skills training programmes	
8	Regeneration of local economies	
9	Other	

PART SIX

Undertaking

Real Mining. Real People. Real Difference.

Our Ref: CG/W/15/5/New Vaal Colliery

Your Ref: MP 30/5/1/2/2 (182) MR

Regional Manager
Department of Minerals and
Energy
Free State Region
The Strip
c/o Stateway & Bok Street
WELKOM
9460

**UNDERTAKING TO ADHERE TO THE SOCIAL & LABOUR PLAN
MINING RIGHT: NEW VAAL COLLIERY**

This undertaking forms part of the Annual Progress Report.

Anglo Operations (Pty) Limited hereby undertakes to adhere to the Annual Progress Report, attached to the Social & Labour Plan approved by your Department.

Chantelle Gerber

Head: Mineral and Property Rights Department