

Kumba hands over 17 new parks and new youth centre

12-year, ~R3 billion relocation of Dingleton community to new purpose-built suburb of Siyathemba nearing completion.

On 16 April, Kumba Iron Ore chief executive, Themba Mkhwanazi officially handed over 17 recreational parks and a new Youth Centre to the community of Siyathemba in the Northern Cape town of Kathu. The handover marks an important milestone in Kumba's relocation of the Dingleton community to the new purpose-built suburb of Siyathemba in Kathu. The 12-year, approximately R3 billion relocation project is now nearing completion with over 98% of the community living in their new homes. Moving the old town allows for further mining in the area thus extending the 66-year-old Sishen mine's operational life and in turn enabling Kumba to continue providing jobs and development as the largest private employer in the region.

Kumba CEO, Themba Mkhwanazi said: "We know building communities is about more than houses, services and roads. We are delighted to be able to handover this youth centre and the recreational parks to the people of Siyathemba and the Gamagara Municipality. By giving children and young people access to sporting, cultural and learning facilities, we will give them the opportunities they deserve. And, by planting thousands of trees and building recreational parks we are playing our part to help build a flourishing community. We have also employed many local contractors to do the work and helped create hundreds of small businesses in the region". The size and scale of the relocation is unprecedented in South Africa and involves relocating 517 households, over 3 400 people and various entities that make up the community. To recreate a thriving new community, in addition to building over 500 new houses, Kumba also expanded and built new schools, constructed seven new churches, along with brand new community re-creational facilities, a police station, office block and rental accommodation, municipal buildings and offices, libraries and community centers, the design of a new clinic and extensive landscaping. The relocation was conducted according to the best-practice codes of the International Finance Corporation (IFC) and involved extensive consultations and negotiations with individual homeowners and a Resettlement Working Group (RWG) comprising elected community representatives and local ward councillors.

Mkhwanazi added, "We didn't just want to build houses, churches and schools, we wanted to partner with the people of Siyathemba and the Gamagara Municipality to help change people's lives and create a new thriving community. That is why over the last four years since 2014, Kumba invested over R300 million towards sustainable development in Siyathemba by supporting community development projects and entrepreneurs

by providing business development training, procuring goods and services from Small Medium and Micro Enterprises (SMMEs) based within Siyathemba as well as youth training and development. Most of these suppliers have gone through Kumba's Enterprise Development programme."

Supporting local business

In line with its commitment to create three indirect jobs for every on-site job by 2025, Kumba has dramatically increased its spending with local businesses from R520m in 2017, to R1.4bn last year rising to R2bn this year. For 2018 alone Kumba supported BEE suppliers with procurement of close to 12 billion rand of products and services. Of this, R1.4bn was spent with 267 host community businesses, up from 162 in 2017 and 40% above what we targeted for 2018. These businesses created around 2 700 new jobs and provided income for over 16 000 people.

Youth Centre

The new Youth Centre can comfortably accommodate up to 55 youths at a time and provides free access to sporting, cultural and learning activities. Its external facilities include a multipurpose AstroTurf field with floodlights and fencing that can be used for soccer, hockey and mini-cricket and includes spectator seating. The facilities were designed to meet multiple community needs and include a multifunction room which can host theatre, training and indoor sports. The centre boasts a fully equipped kitchen, changing rooms with lockers and showers, and even a counselling room for youth counselling. Siyathemba youth will now also have free access to learning and job opportunities through the training room and the computer centre's six computers.

Recreational parks and trees

To improve the new community's quality of life by making the new suburb green, Kumba created 17 recreational parks and planted over 2 700 trees public areas in addition to those planted within the homes. The maintenance of these trees is done by a local company. To further assist the community with preserving the trees, Kumba also initiated a Rainwater Harvesting for Gardening Programme which will minimise the use of borehole water for gardening.

Mkhwanazi concluded saying, "I believe there is a special relationship between Kumba Iron Ore and Siyathemba Community that has been built over the years. We will continue this strategy of supporting local businesses and entrepreneurs, especially the youth, with training and business opportunities. Our view is that for the community to thrive, the mine must thrive so we can reinvest in our people and region".

(Issued by Kumba Iron Ore Corporate Communication)