



DIGBY WELLS
ENVIRONMENTAL

Dingleton Resettlement Completion Audit Findings

Summary Report

Prepared for:

Anglo American

Project Number:

AAT9420

June 2025

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ACRONYMS, ABBREVIATIONS AND DEFINITION

Acronym	Definition
CAP	Corrective Action Plan
CRUs	Community Rental Units
DoE	Department of Education
EAs	Exchange Agreements
EF	Entitlement Framework
GIIP	Good International Industry Practice
GLM	Gamagara Local Municipality
MoU	Memorandum of Understanding
NoK	Next of Kin
OCP	Old Caravan Park
PRWG	Post-resettlement Working Group
PS	Performance Standard
RAP	Resettlement Action Plan
RWG	Resettlement Working Group
SAHRA	South African Heritage Resources Agency
SANDF	South African National Defence Force
SAPS	South African Police Service
SCM	Supply Chain Management
SD	Sustainable Development
SIOC	Sishen Iron Ore Company

Glossary of Terms

Term	Definition
Cash compensation	Monetary payment provided to affected persons to replace lost assets, income or access, calculated in accordance with the project's entitlement framework.
Community rental units (CRUs)	Government-subsidised rental dwellings intended to provide affordable, secure housing for low-income tenants who are not eligible for ownership schemes.
Compensation	IFC Performance Standard 5 defines compensation as: "the payment or provision of benefits to affected persons for the loss of land, assets, access to assets, or livelihoods resulting from project-related land acquisition or restrictions on land use." Compensation must be prompt, adequate, fair and transparent. It may be in-kind or cash, depending on the preference of the affected person and the nature of the asset lost (e.g. land-for-land is often preferred for livelihoods).
Completion audit	An independent, end-of-project review that checks whether all RAP commitments were delivered and whether affected people's living standards and livelihoods have been restored or improved.
Corrective Action Plan (CAP)	A time-bound plan, developed when audits identify gaps, that sets out specific actions, responsibilities and deadlines to bring the project back into compliance.
Economic displacement	Loss of land, assets, access or income streams that affects people's livelihoods, even when they do not have to move house.
Entitlement Framework (EF)	The agreed schedule (often presented as a matrix) that specifies what each category of affected person will receive – e.g. cash amounts, replacement housing, livelihood support – and the conditions for eligibility.
Grievance procedure	A formally documented process through which any stakeholder can raise concerns or complaints about the resettlement, and receive a prompt, fair and transparent resolution.
IFC Performance Standard 5 (Land Acquisition and Involuntary Resettlement)	The International Finance Corporation's benchmark that defines good international industry practice for avoiding, minimising and mitigating adverse impacts from land acquisition and resettlement.
In-kind compensation	Replacement of lost assets with goods, services or property of equivalent value (e.g. a new house or land parcel) instead of cash.
Livelihood restoration	Targeted measures – such as skills training, business assistance or access to land – aimed at helping displaced persons regain or improve their ability to earn income after resettlement.
Physical displacement	The loss of shelter and related fixed assets that requires households or communities to move to another location.

Term	Definition
Remedial actions	Refers to corrective measures taken to address non-compliance with PS5 requirements that are identified during monitoring, compliance assessments or close-out audits. Remedial actions may include retroactive compensation, supplementary livelihood restoration, additional consultation and grievance redress, legal or administrative steps to formalise land tenure, and remediation of infrastructure or services.
Replacement cost	The amount of money sufficient to purchase or build a new asset of similar quality, plus any transaction costs, without deducting depreciation.
Resettlement Action Plan (RAP)	A project document that sets out how physical and economic displacement will be avoided, minimised and – where unavoidable – addressed, including the timetable, budget, responsibilities and monitoring arrangements.
Security of tenure	Refers to the right of individuals, households or communities to occupy and use land or housing without fear of involuntary removal, eviction, or harassment—regardless of whether they hold formal legal title to the land. Security of tenure means legal protection against forced eviction, rather than the specific mode of land ownership.
Stakeholder engagement	Ongoing, two-way interaction between the project and all parties affected by or interested in the resettlement, aimed at sharing information and incorporating feedback into decisions.
Vulnerable groups	Individuals or households that may be disproportionately affected by displacement – such as the elderly, female-headed households or the poor – and therefore require additional assistance.

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1. Introduction

The Dingleton community was relocated to enable the expansion of the Sishen Mining Complex, as part of a Resettlement Action Plan (RAP), commissioned in accordance with the Anglo Social Way Policy (2009) to manage the physical and economic displacement of the Dingleton community. The RAP was developed in alignment with IFC Performance Standard 5 (IFC PS5) on Land Acquisition and Involuntary Resettlement.

Initial RAP planning commenced in 2009 during the pre-feasibility phase of the Sishen West Extension Project. The final RAP was submitted by Nomad Consulting in March 2012.

Implementation of the resettlement began in November 2013. The majority of homeownership households have since been successfully relocated. However, a significant number of renting households remained in Dingleton. Notable exceptions included households residing in temporary facilities such as the Old Caravan Park (OCP) and Siyathemba Flats.

The process was governed by the 2012 RAP developed by Nomad Consulting, updated entitlements documented in a 2016 Entitlement Framework, and further refined through subsequent Memoranda of Understanding (MoUs) and settlement agreements.

A Resettlement Completion Audit was commissioned to assess whether the resettlement process for the Dingleton community, initiated to enable the expansion of the Sishen Mining Complex, had met its stated objectives. Specifically, the audit was required to:

- Check whether the delivery of resettlement commitments/ entitlements agreed with the community has been completed.
- Whether these measures were effective in addressing the displacement impact/loss.
- Identify outstanding commitments and issues needing resolution

Digby Wells Environmental was appointed by the Anglo American Group, including its subsidiaries Kumba Iron Ore Limited and Sishen Iron Ore Company (SIOC), to conduct the completion audit. The selection of Digby Wells to undertake this work was motivated by the fact that the company has prior experience in conducting similar close-out and completion audits, including the RAP Completion Audits for the Loulo and Goukoto Gold Mines, the Yatela Gold Mine, and the Niamboulama Resettlement Action Plan Audit and Close-out Process.

The audit was completed in 2024, and the final audit report was accepted by Kumba in the same year. The full audit report is more than 300 pages long, and contains detailed information on the resettlement process, the socio-economic conditions of the Dingleton community before and after resettlement, and the like. This document is a summarised version of the full audit report.

To ensure clear communication of the audit's key findings, Digby Wells has prepared this summary for external stakeholders, which is compliant with the IFC standards. All essential details appearing in the full report – especially in respect of audit findings and corrective actions required to address identified gaps in the resettlement process – are included in this summary.

2. Audit Methodology

The audit commenced in **2021**, and it took longer than expected to complete because of:

- The volume and complexity of information to be considered.
- Large number of stakeholders to be consulted (see Section 2.2).
- Initial reluctance/ avoidance of the community to participate

The audit assessed compliance with the 2012 and 2016 RAPs, Anglo American agreements, and Good International Industry Practice (GIIP) standards, including IFC Performance Standard 5. This also implied verifying whether all commitments documented in resettlement planning documents (notably the 2012 RAP, the 2016 Entitlement Framework, the MoUs and settlement agreements) had been met.

2.1. Data Collection

Data collection to inform the audit was undertaken through various mechanisms, including:

- Detailed review of existing data (the RAP, records of the resettlement process, recorded grievances, subsequent agreements, etc.).
- A reconnaissance visit to Dingleton and Siyathemba in November 2021.
- Meetings with the Kumba Resettlement Team.
- Interviews with the Post-resettlement Working Group (PRWG), community representatives and various other stakeholder groups. The complete list of stakeholder interactions is provided in Table 2-1. The objectives of these engagements were:
 - To sensitise stakeholders to the auditing process.
 - To supplement quantitative survey data with qualitative data.
 - To verify information obtained from review of existing data.
 - To identify persistent impacts and potential corrective actions.
- Physical household visits, particularly in the Siyathemba area.
- Participation in the PRWG's final 2021 meeting.
- A sample household survey, which was conducted in August 2023.

2.2. Stakeholder Engagements and Consultation Activities

Table 2-1 outlines the series of stakeholder engagements and consultation activities conducted by Digby Wells Environmental between November 2021 and August 2023, as part of the Dingleton Resettlement Completion Audit.

Table 2-1: Stakeholder engagements and consultation activities

Date	Engagement Activity
3 November 2021	Introduction meeting with the community representatives of the PRWG
23–26 November 2021	Reconnaissance site visit
25 November 2021	Attend PRWG meeting as observers
18 January 2022	Community meeting
19 January 2022	Meeting with selected community representatives of the PRWG
20 January 2022	Focus Group Discussion with the South African Police Service (SAPS)
20 January 2022	Focus Group Discussion with LoveLife (a local NGO involved in community development projects)
21 January 2022	Key informant interview with Gamagara Local Municipality (GLM) Manager
23 January 2022	Key informant interview with representative of the NC Government's Office of the Premier
2 February 2022	Information meeting with Community Legal Representatives
27 February 2022	Community meeting
14 March 2022	Letter received from the offices of Matlejoane Attorneys
22 March 2022	Response letter sent to Matlejoane Attorneys
Week of 2–6 May 2022	Distribution of revised community information leaflet
10 May 2022	Meeting with the community representatives of the PRWG
25 May 2022	Letter received from the Gamagara Mayor's office
2 June 2022	Meeting with the community representatives of the PRWG
20 August 2022	Meeting with Kumba
21 October 2022	Meeting with Kumba Legal team to discuss renters' strategy
28 October 2022	Meeting with GLM Departmental Heads
4 November 2022	Meeting with Paul Kapelus of Synergy
15 November 2022	Meeting with Pumla Titus and Teboho Sejake on previous livelihood restoration activities
15 November 2022	Meeting with Walter Khumo on future social development initiatives
24 February 2023	Renters Strategy Workshop with Anglo, Kumba and ENS Africa
29 March 2023	Meeting with GLM Departmental Heads
30 March 2023	Meeting with the Dingleton Community Networking forum
30 March 2023	Key informant interview with Livestock owners
31 March 2023	Meeting with the Sishen Primary Acting Principal and Staff member
31 March 2023	Key informant meeting the Kathu high school principal

Date	Engagement Activity
31 March 2023	Key informant interview with Mpepetari Childhood development centre representative
30 May 2023	Meeting with Nomad Consulting
14 June 2023	Meeting with Anglo
29 June 2023	Key informant interview with Vikele Construction representative
29 June 2023	Key informant interview with Levorno Trading representative
29 June 2023	Key informant interview with Colren Trading Representative
4 July 2023	Key informant interview with Katron Expert trading representative
20 July 2023	Meeting with ENSAfrica
23-30 August 2023	Household Survey
25 August 2023	Focus group Meeting with the Youth of love-life
25 August 2023	Focus group Meeting with the Institutional renters (SANDF and Transnet
25 August 2023	Focus Group Meeting with the Institutional renters (Municipal)
28 August 2023	Focus group meeting with the Religious Leaders
28 August 2023	Focus Group meeting with the Community representative
29 August 2023	Key informant interview with Mr Oliphant (ex-RWG member)
30 August 2023	Focus Group Meeting with the Women Homeowners
30 August 2023	Key Informant interview with Mr Rooiland (Buy-out)

2.3. Assessment of Compliance with Documented Commitments

After reviewing the applicable resettlement planning documents and agreements, a list was compiled of all **formal commitments and entitlements** that were agreed and documented during the resettlement process. These include entitlements recorded in the entitlement framework included in the 2012 RAP and the 2016 updated Entitlement Framework (EF), the MoU, the 2024 Settlement Agreement, and other agreements (exchange and the buy-out agreements etc.). It is important to note that, if a commitment was not documented anywhere, it could not be assessed as part of the audit.

The information collected during the audit was then applied to assess whether each listed commitment or entitlement had been met. Compliance criteria used during the assessment are outlined in Table 2-2.

Table 2-2: Completion Audit Rating Criteria

Compliant	All the GIIP requirements and/or other commitments made were met and/or aligned. No corrective/remedial actions are required.
Partially compliant	Only certain requirements were met and/or aligned. Minimal corrective/remedial actions are required to reach completion.
Not compliant	None or minimal of the requirements were met. Significant corrective/remedial actions are required to reach compliance.

2.4. Corrective Actions and Future Steps

In each instance where the audit found non-compliance or partial compliance with an entitlement or commitment, corrective actions were identified to:

- Address any outstanding commitments outlined in the RAP or related resettlement agreements.
- Address displacement impacts that have not been mitigated effectively through initial mitigation.
- Ensure full compliance with the established standards and agreements.

These corrective actions were documented in a corrective action plan (CAP), which will be implemented during further resettlement and post-implementation phases. Implementation of the CAP will take place from 2026 over a period of approximately five years. Monitoring, evaluation and consultation will be undertaken to ensure corrective actions are implemented and effective. Monitoring and evaluation will be undertaken in a transparent and participatory manner, and findings will be shared with the relevant stakeholders.

3. Disclosure of Audit Findings

The findings of the close-out audit were first disclosed to the Dingleton community leadership during a meeting held in Kathu on 21 January 2025. The findings were presented to the leadership in the form of a PowerPoint presentation that closely followed the structure of the section of the complete audit report dealing with the audit's results. However, the leadership remarked that they found this structure confusing and disputed many of the findings that were presented.

To make the presentation clearer (without sacrificing accuracy or completeness), it was revised using an alternative, more streamlined structure, which was presented during a follow-up meeting with the leadership that took place 7-9 April 2025. Although some of the findings were still disputed by the leadership, the alternative structure provided them with better insight into the audit findings and was successful in stimulating productive discussions.

4. Summary of Audit Findings

This section presents a summary of the findings that emerged from the completion audit. Its structure closely follows that of the revised presentation that was shared with the Dingleton

community leadership during the workshop of 7-9 April 2025 (see Section 3 above). As such, it is structured as follows:

- It lists all **formal commitments and entitlements** that were agreed and documented during the resettlement process. As mentioned, these include entitlements recorded in the entitlement framework included in the 2012 RAP and the 2016 updated Entitlement Framework (EF), the MoU, a 2019 Interim Settlement Agreement, the 2024 Renters Mediation Settlement Agreement, and other agreements (exchange and the buy-out agreements etc.).
- These commitments and entitlements have been structured according to **themes**:
 - Entitlements or commitments relating to the resettlement process.
 - Those relating to homeowners.
 - Those relating to other affected assets and cultural heritage.
 - Those relating to renters (private renters, institutional renters, and a sub-category of White City municipal renters).
 - Those relating to economic displacement.
 - Those relating to vulnerable people or groups.
 - Those relating to community facilities and social services.
- For each commitment or entitlement, the sub-sections below indicate where this is **documented** (in the RAP, the MoU, etc.).
- If any **claims or allegations** were made by stakeholders (particularly during the 21 January 2025 meeting with the Dingleton community leadership) that were relevant to this entitlement/ commitment, this is also indicated.
- The **audit findings** regarding this entitlement or commitment are presented.
- Any relevant **supporting information** is included.
- **Corrective actions** are indicated where applicable.

4.1. The Resettlement Process

4.1.1. Grievance Procedure

Entitlement/ commitment: A grievance procedure must be in place	
Category of affected persons:	All stakeholders
Source:	2012 RAP, Principle 9
Was this entitlement delivered?	Yes. All grievances that were submitted to Corporate Affairs were responded to.
Supporting information:	Digby Wells has reviewed the 2015 and 2019 grievance registers.

During the 21 January 2025 leadership meeting, the claim was made that the grievance register has never been functional despite submitting grievances, they have never received a response from Kumba. However, the available evidence does not support this claim.

4.1.2. Financial Advisors

<u>Entitlement/ commitment:</u> Financial advisors will be appointed by Kumba/SIOC to inform homeowners about the financial implications of Exchange Agreements via financial advisors appointed.	
Category of affected persons:	Homeowners
Source:	2012 Entitlement Framework
Was this entitlement delivered?	Yes. As per the Dingleton RAP Section 6.3.7, a financial advisor/valuator was appointed. Their role was to counsel the affected households on their financial position and on the investment of funds received as part of resettlement. However, few individuals made use of this service.
Supporting information:	Article about financial advisors: Ben Niemand & Kie CC – see Figure 4-1.

During the 21 January 2025 leadership meeting, the claim was made that no financial advisor was appointed to guide the households on financial literacy. It was also claimed that there was a lack of transparency during the discussion when signing the agreement. However, the available evidence does not support this claim.



Figure 4-1: Article of Financial Advisors

4.1.3. Legal Advisors

Entitlement/ Commitment: A set of legal advisors will be made available to the residents of Kathu so that they can discuss resettlement-related legal issues. This will be paid for by Kumba.	
Category of affected persons:	All displaced persons
Source:	2016 Entitlement Framework
Was this entitlement delivered?	Yes, this was done. The intention was not that this would be a permanent arrangement but would be in place until entitlement discussions had been concluded.
Supporting information:	SIOC appointed Matthews and Partners, in consultation with the RWG, as legal advisors to the community. Their scope of work was to provide legal advice to homeowners on the implications of the various compensation options offered to them, to ensure that persons understand the implications of their choices. This also included going through the legal implications of the Exchange Agreements (EAs) and ensuring that homeowners understood the contents of the agreements and their legal responsibilities. The EAs had to be signed in the presence of

	these community legal advisors to confirm that the contents had been explained and understood by the homeowner.
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4.1.4. Adjudication of Disputes

Entitlement/ Commitment: Appointment of a legal representative to adjudicate disputes	
Category of affected persons:	All displacement persons
Source:	Memorandum of understanding (MoU)
Was this entitlement delivered?	This entitlement was delivered. The EAs mention possibility of disputes, and that mediation will be funded by the project. It also states that legal costs can be for the person raising the dispute, if not successful
Supporting information:	The MoU, in Section 7 states: "Each Party will bear their own costs in relation to such dispute resolution"

4.2. Homeowners

Homeowners involved in the resettlement process comprise three broad categories:

- Resettled homeowners who relocated before 2016.
- Resettled homeowners who relocated after 2016.
- Buy-outs.

4.2.1. Replacement Housing

4.2.1.1. Floor Area

Entitlement/ Commitment: Replace the existing floor area and as closely as possible, the existing layout of houses in Dingleton	
Category of affected persons:	Homeowners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	This entitlement was delivered. Replacement houses were constructed that were similar in size to homeowners' original dwellings. However, some issues have been identified with the quality of replacement houses and the design of the resettlement site – see Table 4-1.
Supporting information:	Housing designs varied from showhouses, as homeowners had different sizes houses before relocation, consequently replacement housing would have differed in size

During the 21 January 2025 leadership meeting, various claims were made in respect of replacement housing. These claims are listed and assessed in Table 4-1.

Table 4-1: Stakeholder Claims About Replacement Housing

Stakeholder Claim	Assessment
During the open day the community was shown a demonstration house, but upon relocation, they were allocated different houses that did not match the demonstration house shown to them.	Housing designs varied from showhouses, as homeowners had different sizes houses before relocation, consequently replacement housing would have differed in size. Therefore, the available evidence does not support the stakeholder claim.
Some household members raised concerns that when they were relocated with their children, the children were not eligible to receive houses, despite being part of the relocated household.	There is no record in the RAP, MoU, etc. of a commitment to providing separate houses for children of homeowners. SIOC did not commit to separate houses for homeowners' children, as this is not an IFC requirement, especially for small children.
Some homeowners expressed dissatisfaction with replacement houses, citing issues like poor workmanship, structural damage, and inadequate maintenance. There were also complaints of water pooling and flooding homes on replacement stands.	<p>The audit report acknowledges the validity of these concerns. It also stipulates the following corrective actions to address these:</p> <ul style="list-style-type: none"> • Kumba to provide an appropriate response to community complaints about flooding and pooling of water on replacement stands. • Address community perceptions of inadequate living conditions at the resettlement site, specifically statements of poor workmanship in replacement structures.

As of April 2025, the following progress had been made in respect of implementing the corrective actions listed in the table above:

- About 20 homeowners had submitted requests for assistance.
- Their stands were evaluated and ground levels measured.
- Various measures were implemented to improve water flow (channels, subsurface drains, etc.).
- SIOC arranged for cleaning of channels (despite the fact that the responsibility for such cleaning actually rests with GLM).

4.2.1.2. Replacement House Design Options

Entitlement/ Commitment: Houses below 140 m ² to be replaced by a restricted range of options. Houses above 140 m ² but under 180 m ² to be similarly replaced with a limited range of options.	
Category of affected persons:	Homeowners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	This entitlement was delivered. For houses above 140m ² , homeowners could choose alternative layouts (e.g. a double storey houses). They could add in additional money if they wanted a larger house.
Supporting information:	A few options of house designs were determined by an architect in cooperation with the RWG. Each homeowner could then choose an option, after which the architect refined the design with the homeowner and the lawyers. (See Figure 4-2)



Figure 4-2: Original and Replacement Houses

4.2.1.3. Shanties

Entitlement/ Commitment: So-called “shanties” used for residential purposes will be replaced at replacement value or with a newly constructed formal structure, as far as municipal bylaws allow, and pending the approval of the macro strategy that allows for the funding of this aspect.	
Category of affected persons:	Homeowners
Source:	2016 Entitlement Framework

Was this entitlement delivered?	This was delivered. The “macro strategy” referred to in the 2016 Entitlement Framework (which provided funding for this entitlement) was the long-term rental strategy.
Supporting information:	Some owners selected the cash option, while others opted for replacement structures. These were constructed in compliance with municipal by-laws

4.2.1.4. Option of Selection Smaller Replacement Houses

Entitlement/ Commitment: If a homeowner opts for a smaller house, Kumba will compensate them for the difference between the replacement value of their entitled house and the value of the smaller one, with the compensation format negotiated individually by taking into consideration the size on the floor area.	
Category of affected persons:	Homeowners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	This entitlement was delivered. Compensation for the difference in size was calculated based on floor area
Supporting information:	The rate of compensation was agreed with stakeholders at the time. This was R7000 per m ² .

4.2.1.5. Bathroom Fittings

Entitlement/ Commitment: Bathroom fittings will resemble, as closely as possible, the fittings that existed prior to resettlement. The value of the fittings will not be less than the replacement value of those in the existing house.	
Category of affected persons:	Homeowners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	Fittings were difficult to replace in the same way, as the houses in Dingleton were more than 60 years old. However, every homeowner was consulted individually to agree on their choice of fittings.
Supporting information:	Fitting options were decided between the architect and the homeowner and prescribed to the construction contractor.

4.2.1.6. Kitchen Fittings

Entitlement/ Commitment: Kitchen fittings will be standardised as per what is appropriate for the size of the kitchen in the replacement house. The value of the fittings will not be less than the replacement values of those in the existing house.	
Category of affected persons:	Homeowners

Source:	2016 Entitlement Framework
Was this entitlement delivered?	Fittings were difficult to replace in the same way, as the houses in Dingleton were more than 60 years old. However, every homeowner was consulted individually to agree on their choice of fittings
Supporting information:	Fitting options were decided between the architect and the homeowner and prescribed to the construction contractor.

4.2.2. Buy-out Agreements

4.2.2.1. Inflation Adjustments for Buy-out Agreements

Entitlement/ Commitment: Households who have an identified alternative home that they wish to relocate to can exercise the option to be paid out the cash equivalent of the replacement value of their Dingleton residence. However, the cost of removal and transport of household goods to be paid for by the developer will be limited to a distance of 100 km from Dingleton.	
Category of affected persons:	Homeowners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	<p>If there were time delays between signing of buy-out agreements and payments, inflation adjustment to compensation amounts were done. EAs signed a few months prior to buy-out agreements do not include inflation allowances. The inflation adjustment <u>only applied to buy-out agreements, where cash payments were involved and to those that received cash compensation, instead of replacement housing for loss of their residence</u>. If a person did not opt for cash compensation, inflation adjustment would not be applicable.</p> <p>However, it is acknowledged in the audit report that this inflation adjustment <u>was not uniformly communicated</u> to all community members. This created a perception of unfair treatment and lack of transparency, particularly among those who did not receive these additional allowances.</p>
Supporting information:	The cut-off date was the end of 2016. If persons opted for cash in 2016 but only received their payout in 2018, a price adjustment was applied. This amounted to 8% inflation allowance and a 5% "flexibility allowance."

During the 21 January 2025 leadership meeting, the claim was made that there were discrepancies in the compensation for households that willingly relocated versus those who initially refused but later negotiated their compensation. It is alleged that the process was not transparently communicated to the households.

As indicated in the table above, this lack of transparency is acknowledged in the audit report, which stipulates that the following **corrective action** is required: *Document and disclose the*

procedures/formulas/rates used to calculate replacement values and cash compensation amounts.

4.2.2.2. Rates Subsidy for Persons Choosing Buy-out Agreements

Entitlement/ Commitment: People who wish to move to other parts of Kathu, or elsewhere in South Africa, can do so to the value of the house that would have been built in Kathu Phase IV. However, those exercising this choice will not be supported by a Kumba guarantee of housing quality or necessarily be eligible for the rates subsidy.	
Category of affected persons:	Homeowners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	This entitlement was delivered. Some persons who selected buy-out agreements chose this option.
Supporting information:	Most of these persons did get the rates subsidy, despite the Entitlement Framework stating that they might not be eligible for this subsidy.

4.2.2.3. Determination of Compensation Rates for Buy-out Agreements

Entitlement/ Commitment: Compensation rates, which were used to determine buy-out amounts for lost housing, were to be determined in consultation with the RWG, to ensure fairness and adequacy.	
Category of affected persons:	Homeowners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	Rates were established as agreed and compensation payments made accordingly.
Supporting information:	Section 7 of the RAP states that commitments in respect of compensation rates were presented to homeowners, as agreed by the RWG, and as communicated via community meetings. Compensation for structures covered full replacement cost, exclusive of depreciation and inclusive of all fees (such as construction permits and title changes) and labour costs.

4.2.3. Additional Support to Resettled Homeowners

4.2.3.1. Transport of Movable Assets

Entitlement/ Commitment: Transport of movable assets, up to a maximum distance of 100 km.	
Category of affected persons:	Homeowners

Source:	2016 Entitlement Framework
Was this entitlement delivered?	This entitlement was delivered
Supporting information:	All homeowners' moveable assets and related items (e.g., scrap cars, equipment, spares, etc.) were moved to their new residence by Biddulphs.

4.2.3.2. Connection Fees

Entitlement/ Commitment: Connection fees to re-connect existing services at the host site will be paid.	
Category of affected persons:	Homeowners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	All connection fees were paid.
Supporting information:	R85 million was invested around 2016 with Old Mutual into a Trust Fund. Subsidies are administered by Towell & Groenewald in Kimberley and are fully paid and up to date.

4.2.3.3. Rates and Taxes Trust

Entitlement/ Commitment: A rates and taxes trust will be put in place to ensure that rates are subsidised. The trust will be administered to allow for a 25-year drawdown.	
Category of affected persons:	Homeowners
Source:	2016 Entitlement Framework, MoU
Was this entitlement delivered?	Yes, the audit confirmed that this was established.
Supporting information:	Payments of rates and taxes subsidies are still being made.

4.2.3.4. Sustainability Package

Entitlement/ Commitment: and SIOC will jointly establish a committee to investigate a sustainability package which <i>may</i> include: <ul style="list-style-type: none"> • Financial benefit. • The skilling and training of eligible youth and other economically active persons from within the ranks of the Dingleton homeowners and their kindred. • The creation of sustainable employment opportunities over the long term. 	
Category of affected persons:	Homeowners
Source:	MoU

<p>Was this entitlement delivered?</p>	<p>This entitlement was delivered. The sustainability package had a total budget of R100 million. It included:</p> <ul style="list-style-type: none"> • A payment of R100k per household. This was an ex-gratia payment, over and above commitments made in the Entitlement Framework. • Training and business opportunities for local SMMEs. • The package evolved to also include improvement to the resettlement site. This included a clinic, youth centre, soccer field, parks, planting of more trees (for dust mitigation and beautification) and urban scaping. <p>Overall, a comprehensive Sustainable Development (SD) programme was delivered, ranging from entrepreneurial training, numeracy and literacy, computer skills, Tshipi training centre, Aurecon (SAVE) one-on-one coaching in tender and contracting, Trioplus (legal and financial) one-on-one coaching for all SMMEs, Hatch one-on-one training, construction training by Group 5 in Dingleton, employment and on-job training by Group 5, over R200 million in construction-related packages delivered to SMMEs.</p> <p>However, as indicated in Table 4-2, the audit found evidence suggesting that the full potential of development benefits was not realised.</p>
<p>Supporting information:</p>	<ul style="list-style-type: none"> • Ex gratia payments: The R100k per household ex gratia payments were done in 2016/ 2017. This was for private homeowners and the 54 White City institutional renters. This allowance was also only paid to homeowners and later to municipal renters in recognition of their future tenure status as homeowners. Renters, including other institutional renters and renters who owned assets in Dingleton, did not qualify for the allowance despite renters being part of this collective effort to ensure that SIOC gained land access for future mining developments. • Training and business opportunities for local SMMEs: Digby Wells has reviewed detailed records of facilities/ benefits provided and SMME upliftment linked to the project (not necessarily just as part of the Sustainability Package). More than R200 million of local procurement packages were made available for SMMEs. Some resettlement persons were employed. • Improvements to the resettlement site: These were informed by needs/ requests of community.

During the 21 January 2025 leadership meeting, various claims were made in respect of the Sustainability Package. These claims are listed and assessed in Table 4-2.

Table 4-2: Stakeholder Claims About Inadequacies of the Sustainability Package

Stakeholder Claim	Assessment
The previous Premier had informed that that the R100,000.00 given to Siyathemba households was a gift and not compensation. This has caused confusion among the community, and the community is still awaiting compensation for their relocation.	The Premier cannot make commitments on behalf of Kumba. The audit findings therefore do not support the validity of this stakeholder claim.
Training was provided for those who requested, but the training and the certificate that were given to trainees held little value as they still do not have employment. Kumba promised them that when they relocate all the youth would be employed at the mine but none of the promises were fulfilled.	<p>Kumba never committed that <u>all</u> resettled persons would be given employment.</p> <p>However, the audit report acknowledges the perception among some community members that they were excluded from skills training and SMME development opportunities. There also appears to have been limited scope of benefits for women and those not involved in employment opportunities provided during construction. Consequently, the audit report recommends the following corrective actions:</p> <ul style="list-style-type: none"> • SMMEs to pursue options for skills training and SMME development linked to sustainable opportunities by SCM and Sishen Mine. • Address the gender imbalance in training and SMME development opportunities provided to resettled persons (female participants to be encouraged to comply and tender).

4.2.3.5. Inconvenience Allowance

Entitlement/ Commitment: One-time inconvenience allowance.	
Category of affected persons:	Homeowners, later expanded to include White City institutional renters
Source:	2016 Entitlement Framework (original, only for homeowners) and MoU (inclusion of White City institutional renters)
Was this entitlement delivered?	This entitlement was delivered. The inconvenience allowance was included in the EAs.
Supporting information:	The value of the inconvenience allowance was R15k.

4.2.3.6. Curtain Allowance

Entitlement/ Commitment: A once-off curtain allowance. The amount depends on the size of the replacement house and is meant to cover decorating to the owner's own tastes.

Category of affected persons:	Homeowners, later expanded to include White City institutional renters
Source:	2016 Entitlement Framework (original, only for homeowners) and MoU (inclusion of White City institutional renters)
Was this entitlement delivered?	This entitlement was delivered. The curtain allowance was included in the EAs.
Supporting information:	The curtain allowance was between R 10,000 and R 20,000, depending on the size of the replacement house.

4.2.3.7. Maintenance and Repair Support

Entitlement/ Commitment: Maintenance and Repair Support: In 2019, claims emerged of faults in the replacement houses (due to poor workmanship and/or maintenance). To address this, two rounds of repair and maintenance were initiated by Kumba.	
Category of affected persons:	Homeowners
Source:	Maintenance and Repair Costs Settlement Agreements
Was this entitlement delivered?	<p>The amount paid through the Maintenance and Repair Support package depended on house size: R45,000 for a house between 50m² and 75m², R50,000 for houses up to 135m² and R60,000 for houses larger than 135m².</p> <p>However, very few of the households used this money to perform the repairs required. Some obtained quotations and said that these quotations were far higher than the maintenance fee, so they opted to use the money for something else.</p> <p>The audit was not able to establish whether the faults in the replacement houses were due to poor workmanship and inferior building material, or the result of natural wear and tear.</p>
Supporting information:	<p>The audit found that 299 houses required maintenance agreements. Agreements were signed with 290 of these; the remainder (only 9) did not accept the agreements.</p> <p>The first round was undertaken by Group 5, and the second round by SMME contractors. Homeowners were encouraged to take responsibility for maintenance of their own homes.</p> <p>However, recognising the increase in maintenance and repair costs post-resettlement, the project provided support to cover these expenses. This support was in the form of Repair and Maintenance Agreements.</p>

During the 21 January 2025 leadership meeting, stakeholder expressed dissatisfaction with the R45,000 allocated for maintenance, stating that it was insufficient, and their houses remain unrepaired. As indicated in the table above, the audit was not able to establish whether the faults in the replacement houses were due to poor workmanship and inferior building material,

or the result of natural wear and tear. The audit therefore recommends the following **corrective actions**:

- SIOC should undertake a more detailed investigation into these complaints (making use of data from previous assessments where available).
- If deemed necessary, a longer-term plan must be developed to ensure more sustainable repairs which would make it a reasonable request that homeowners take over the maintenance of their houses themselves.
- A mutually acceptable solution regarding complaints about maintenance and repair should be co-created between SIOC and the leadership.

4.3. Other Affected Assets and Cultural Heritage

4.3.1. Replacement of Church Properties

Entitlement/ Commitment: All churches that own property should be replaced in the resettlement area. Each church will be negotiated with in turn. Those with existing stands and buildings will get replacement stands and buildings.	
Category of affected persons:	Owners of churches
Source:	2016 Entitlement Framework. The original (2012) Entitlement Framework stated that only churches with fixed buildings would be replaced. In the 2016 Entitlement Framework, this was extended to include all churches.
Was this entitlement delivered?	Yes. During the surveys, 19 churches were recorded: <ul style="list-style-type: none"> • 7 were built-up churches. These buildings were replaced. • The remaining 12 did not have church buildings. Some had tin shacks, which were compensated for. Some were holding services under trees.
Supporting information:	<p>Following a 2-year negotiation process, it was agreed that churches who did not previously have buildings would be provided with a 315m² stand. If a church could afford larger stand, they could purchase it at a discounted rate (R180 per m²).</p> <p>SIOC paid for the transfer and zoning of stands, as well as for tents and containers for storing church furniture. (They had the option of receiving containers and tents or receiving cash to buy these themselves.)</p> <p>Some of the 12 churches without buildings did not take up this offer.</p>

During the 21 January 2025 leadership meeting, various claims were made in respect of the replacement of church buildings. These claims are listed and assessed in Table 4-3.

Table 4-3: Stakeholder Claims About Replacement Churches

Stakeholder Claim	Assessment
22 churches existed in Dingleton, but only 7 were rebuilt in Siyathemba. How was that determined?	As indicated in the table above, 19 churches were recorded during the surveys, of which 7 were built-up churches (which were replaced). The remaining 12 did not have church buildings.
Why are the churches in Siyathemba were not properly maintained or renovated?	Kumba did not extend the offer of the Repair and Maintenance Support allowance to churches.

4.3.2. Fruit Trees

Entitlement/ Commitment: Fruit trees will be compensated at replacement rates or government rates, whichever is greater.	
Category of affected persons:	All tree owners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	Yes, this was delivered
Supporting information:	In terms of the EAs, allowances due to homeowners included a fruit tree allowance of R450 per tree (only for those households who owned trees at their property in Dingleton). Some of the 12 churches without buildings did not take up this offer.

4.3.3. Grave Relocation

Entitlement/ Commitment: A cemetery has been identified and will need to be relocated. The legal process to identify owners of the graves and to make arrangement for re-internment is being followed. A certified heritage consultant will be contracted.	
Category of affected persons:	NoK of graves in Dingleton
Source:	2016 Entitlement Framework
Was this entitlement delivered?	Subsequent to finalisation of the 2016 Entitlement Framework, it was determined that relocation of the Dingleton cemetery was not required after all. It was decided that the cemetery would remain in Dingleton and be fenced off. Community access is still permitted. Informal graves were identified next to Transnet property on the southern side of Dingleton (but north of the incoming road). It was agreed these graves needed to be relocated
Supporting information:	<ul style="list-style-type: none"> • Cemetery: Because the graveyard was nearing capacity, the initial agreement with the municipality stated that Kumba would provide an additional 1 hectare of land for the graveyard.

	<p>However, because this land was found to be in a protected area, an alternative 5 ha of land next to the N14 was provided instead.</p> <ul style="list-style-type: none"> • Informal graves: These graves were relocated by specialist contractors to the Kathu cemetery under supervision of a specialist consultant that was working under the governance of SAHRA.
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During the 21 January 2025 leadership meeting, the claim was made that only graves of the buyouts were relocated and not for all the stakeholders who were resettled. However, as indicated in the table above, the available evidence does not support this claim. The statement that only the graves of buyouts were relocated is incorrect: only one buyout requested for their graves to be relocated, and this was done.

4.4. Renters

The resettlement process involved the following main categories of renters:

- Private renters (including “backyard dwellers”). These include:
 - Renters that moved to the Siyathemba Flats in 2018.
 - Households that were relocated to the OCP in 2014.
 - Occupants of rental housing in Kathu.
- Institutional Renters (people renting from Kumba, Transnet, Municipality, South African National Defence Force (SANDF))
- Individuals renting from agents acting on behalf on institutions.

Renters who were moved to temporary accommodation whilst a long-term solution was being formulated merit special consideration in resettlement planning. In terms of IFC standards, such persons are entitled to additional entitlements to address the double disruption resulting from being relocated twice.

4.4.1. Long-term Rental Strategy for Private Renters

Entitlement/ Commitment: Kumba will put in place a long-term rental strategy to ensure that those who rent from private, or third parties are afforded the opportunity to find replacement accommodation at similar rates to those being paid in Dingleton.	
Category of affected persons:	Private renters
Source:	2016 Entitlement Framework, MoU
Was this entitlement delivered?	Delivery of entitlements for renters has been partially completed. Finalisation and delivery of some entitlements is still in progress.
Supporting information:	Entitlements for renters evolved over time:

	<ol style="list-style-type: none"> 1. The initial (2012) RAP assumed that renters would move with their landlords or receive a short-term rental allowance. 2. By the time of the 2016 Entitlement Framework, it was clear that many renters would not move with their landlords. A two-pronged strategy was thus put in place: <ul style="list-style-type: none"> • A short-term strategy involving temporary accommodation in the Siyathemba Flats Kumba rental housing or the OCP while the long-term rental strategy was being finalised. A renters' information desk was also established. • The long-term rental strategy, which was included at a high level in the 2016 Entitlement Framework 3. Detailed action plans to operationalise the long-term rental strategy. These are documented in the MoU, and are now being implemented
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4.4.2. Subsidies for Water and Electricity

Entitlement/ Commitment: Subsidies for water and electricity as part of short-term rental strategy: As part of the short-term strategy and for the duration thereof, SIOC will provide the Private Renters with affordable accommodation for which SIOC mostly assumes the carrying costs of the services and infrastructure.	
Category of affected persons:	Private renters
Source:	MoU
Was this entitlement delivered?	This is being delivered. This relates to subsidising water and electricity at temporary accommodation
Supporting information:	The subsidy has been in place since 2014 for those at the OCP and from 2018 for those that moved into the flats.

4.4.3. Community Rental Units

Entitlement/ Commitment: The Municipality will administer the process of verifying the eligibility of the Private Renters in accordance with the provisions of the subsidised housing programme and/or the policy on Community Rental Units (CRUs).	
Category of affected persons:	Private renters
Source:	MoU
Was this entitlement delivered?	This is part of the long-term rental strategy. However, this entitlement is not relevant in its entirety anymore: CRUs have since changed to sectional title approach. GLM did assist with RDP houses and checking eligibility.
Supporting information:	Provincial Government was responsible to build the CRUs. They did not do so, thus Kumba stepped in to build the first 104 units. Sufficient land has been donated to the GLM to develop the balance of the housing.

During the 21 January 2025 leadership meeting, the claim was made that the RAP document states that 308 CRUs would be built, but only 104 were actually constructed. The stakeholders are correct in pointing out that the RAP commits to the construction of 308 CRUs. However, as indicated in the table above, this is the responsibility of Provincial Government. The construction of a percentage of the required units was an interim solution undertaken by Kumba.

4.4.4. Institutional Renters

Entitlement/ Commitment: Kumba housing, as well as Transnet, GLM, SANDF, and any other state employees renting, will get houses through their own company employment structure. These will be in line with their employee status or assigned contractual arrangements.	
Category of affected persons:	Institutional renters
Source:	2016 Entitlement Framework
Was this entitlement delivered?	Yes, this was delivered
Supporting information:	This was part of the long-term strategy

4.4.5. White City Renters

Entitlement/ Commitment: GLM has promised that its municipal renters will have their rental accommodation transferred to them as freehold title upon their move to Kathu Phase IV. This remains an agreement between the municipality and the individuals and is beyond the control of Kumba.	
Category of affected persons:	White City municipal renters
Source:	2016 Entitlement Framework, MoU
Was this entitlement delivered?	This is in the process of being delivered as part of the long-term rental strategy.
Supporting information:	This refers to the 54 houses currently being transferred.

4.4.6. Row Houses

Entitlement/ Commitment: So-called “row houses” or hostels and apartments will be replaced with appropriate accommodation in the new resettlement area as per legislation and in line with the rental strategy to be developed by Kumba.	
Category of affected persons:	White City municipal renters
Source:	2016 Entitlement Framework
Was this entitlement delivered?	This was delivered
Supporting information:	These are included in the 54 municipal houses. The row houses were replaced.

4.4.7. 2024 Settlement Agreement

Entitlements/ Commitments: As envisaged in the long-term strategy (as per the MoU) and set out in more detail in the 2024 Settlement Agreement: <ul style="list-style-type: none"> • OCP Households relocating to Siyathemba Flats will receive sectional title ownership of their flats through the local municipality and would be expected to pay levies, rates and services. • Households relocating to RDP houses will receive ownership of these houses through the local municipality. • Kumba will bear the cost of property transfer fees and relocation (one trip per household). 	
Category of affected persons:	Households currently staying in interim accommodation in the OCP, rented houses or interim accommodation in Siyathemba Flats
Source:	Long-term rental strategy; 2024 Settlement Agreement
Was this entitlement delivered?	<p>This is in progress, as part of the long-term rental strategy.</p> <ul style="list-style-type: none"> • Some OCP Households relocating to Siyathemba Flats have already moved into flats, but sectional title transfers are still in progress. • For households relocating from interim accommodation at the Siyathemba Flats to RDP homes, Kumba did not commit that these would receive ownership of their Siyathemba flats (only of their RDP homes)
Supporting information:	<p>The following numbers of households are involved:</p> <ul style="list-style-type: none"> • OCP Households relocating to Siyathemba Flats: 2. • OCP Households relocating to RDP Homes: 10. • Rented House Households relocating to RDP Homes: 7. • Households relocating from Siyathemba Flats to RDP Homes: 2.

The audit report identifies renters still awaiting security of tenure as one of the issues that need to be resolved before the resettlement process can be closed out. In this respect, the audit report identifies the following **outstanding actions**:

- Conclude negotiations with GLM for transfer of the 142 stands for the development of RDP housing for renters who did not own properties in Dingleton.¹
- Also conclude negotiations with GLM for the transfer of the Siyathemba Flats so that occupants can receive sectional title deeds as a form of security of tenure.²

¹ This description of the outstanding action reflects the status quo at the time of the audit. Since then, the 142 stands have been transferred to the GLM. COGHSTA must now build the RDP houses.

² As above, this description of the outstanding action reflects the status quo at the time of the audit. Since then, the GLM has signed a donation agreement in terms of which the flats and the land on which it is constructed will be donated to the GLM. Once the transfer has been registered, the Siyathemba Flats will be converted to a sectional title scheme and ownership transferred to the beneficiaries in one simultaneous transaction.

4.4.8. Security of Tenure

Entitlement/ Commitment: Resettled households must be provided with security of tenure.	
Category of affected persons:	Households currently staying in interim accommodation in the OCP, rented houses or interim accommodation in Siyathemba Flats
Source:	2012 RAP, IFC Performance Standard 5
Was this entitlement delivered?	One of the objectives of the long-term renters' strategy is to ensure that all households (including renters) have security of tenure.
Supporting information:	<p>Security of tenure does not necessarily mean having freehold title to a property. Security of tenure refers to legal protection against forced eviction, rather than the specific mode of land ownership. Persons in rental accommodation can be regarded as having security of tenure, provided they have:</p> <ul style="list-style-type: none"> • Legally binding rental agreements. • Protection against arbitrary eviction without due legal process. • Affordable and sustainable rental arrangements. • Alternative housing options if needed.

4.4.9. Remote Allowance

Entitlement/ Commitment: Remoteness allowance of R5,000 per month (less deductions for rental if applicable) continues to be paid to OCP households until the relocation date.	
Category of affected persons:	OCP Households
Source:	The 2019 Interim Settlement Agreement, and its continuation is mentioned in the 2024 Settlement Agreement
Was this entitlement delivered?	Yes, this allowance is being paid to OCP households who have not moved yet.
Supporting information:	This allowance is specific to OCP households because of the OCP's remoteness. SIOC also pays for rent, water and electricity over and above this allowance. The Settlement Agreement does not commit to paying this allowance to persons in the Siyathemba Flats or RDP homes.

During the 21 January 2025 leadership meeting, a concern was raised about the monthly payments provided to the OCP households. The leadership questioned why the Siyathemba households who were relocated do not receive similar monthly payments. In response, it was explained to them that this allowance is specific to OCP households, for the reasons outlined in the table above.

4.5. Economic Displacement

4.5.1. Buy-out of Business

Entitlement/ Commitment: Business owners who are locationally dependent will be compensated. However, Kumba does not want to be held responsible for potential prejudice to businesses in their new location. As such, the locationally dependant and legal business with a fixed operational site will be purchased by Kumba if the owner so wishes. Prices will potentially be negotiated based on proven tax records.	
Category of affected persons:	Business owners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	This entitlement was delivered.
Supporting information:	All locationally dependant and legal business with a fixed operational site were either compensated for or purchased by Kumba.

During the 21 January 2025 leadership meeting, the claim was made that business owners were not compensated or assisted to establish other business elsewhere. For example, the taxi businesses were not consulted or supported, despite being significantly impacted by the relocation. When they were still in Dingleton, taxi services were in demand, but since relocating to the town, the need for taxis has decreased, resulting in substantial business losses.

As indicated in the table above, the audit found evidence that all locationally dependant and legal business with a fixed operational site were either compensated for or purchased by Kumba. Taxi owners were compensated similar to other businesses. The claim that business owners were not compensated is therefore not accurate and was made without any evidence.

4.5.2. Relocation of Businesses

Entitlement/ Commitment: Business owners who do not wish to be bought out can opt to be resettled to the business portion of Kathu. The current town planning scheme makes allowance for this.	
Category of affected persons:	Business owners
Source:	2016 Entitlement Framework
Was this entitlement delivered?	This entitlement was delivered
Supporting information:	Some businesses were relocated, and others were bought out. Businesses that were bought out still retained their assets and liabilities (double benefit).

4.5.3. Compensation for Loss of Rental Income

Entitlement/ Commitment: Where homeowners are directly dependent on rental income from paying parties and where this income represents a substantial portion of a vulnerable household income, and where such income is interrupted by the move to Kathu Phase IV and is prevented by stricter application of bylaws, then remuneration for lost income will be considered. This will be determined on a case-by-case basis.	
Category of affected persons:	Landlords/ owners of rental accommodation
Source:	2016 Entitlement Framework
Was this entitlement delivered?	This entitlement was delivered.
Supporting information:	Remuneration for lost income was implemented over a number of months. Structures were also replaced or compensated for (e.g. replacement structures provided to homeowners in case where they also lost shanty structures)

4.5.4. Replacement Grazing Land

Entitlement/ Commitment: Kumba has acquired alternative grazing land. This will be securely fenced and Kumba will ensure the availability of water. The cooperative maintenance of this grazing land will be determined by the owners of the livestock.	
Category of affected persons:	Livestock owners
Source:	2016 Entitlement Framework, EA with GLM (specifically mentions the farm Marsh, because this farm replaced land belonging to municipality).
Was this entitlement delivered?	<p>Yes. Agricultural infrastructure (fences, camps, water systems, gates) was installed at farm Marsh. The farm was transferred to the GLM, and a few farmers moved their livestock to the farm as part of resettlement negotiations. The GLM must provide them with training to remain within livestock limits.</p> <p>However, there are ongoing concerns about securing tenure for livestock owners, especially considering encroaching housing developments. There is also a need for further training on rotational grazing management and maintaining paddock fencing to prevent overgrazing.</p>
Supporting information:	<p>This entitlement was only made available to farmers appearing in the baseline established during resettlement planning. Kumba did not entertain after-the-fact claims for compensation.</p> <p>Displaced persons were only offered compensation (in-kind) for livelihoods if their livelihoods were impacted by resettlement.</p>

As indicated in the table above, there is a need for training for livestock owners in sustainable management of grazing land. There are ongoing concerns about securing tenure for livestock owners, especially considering encroaching housing developments. In this respect, the audit report recommends the following **corrective actions**:

- In collaboration with resettled livestock owners, formulate and implement a sustainable system of grazing management that prevents overgrazing.
- Establish ongoing monitoring of the grazing lands and provide continuous support to livestock owners to ensure that overgrazing does not further compromise the restoration of livelihoods.
- In consultation with GLM, assess options for providing security of tenure for users of grazing land.

4.6. Vulnerable People or Groups

Entitlement/ Commitment: Vulnerable persons affected by resettlement must be provided with appropriate support.	
Category of affected persons:	Vulnerable persons
Source:	2012 RAP, IFC Performance Standard 5
Was this entitlement delivered?	Yes, various measures were implemented to support vulnerable persons during and after resettlement: <ul style="list-style-type: none"> • FAMSA was appointed to provide counselling services. • Vulnerable households also have access to the soup kitchen. • Portuguese translation was provided during engagements. • Access was provided to a drug rehabilitation programme.
Supporting information:	This entitlement was only applicable to vulnerable persons.

During the 21 January 2025 leadership meeting, a claim was made that no social or counselling services were provided for the Siyathemba vulnerable community members. However, the available evidence does not support this claim. As indicated in the table above, counselling services were provided by FAMSA.

4.7. Community facilities and social services

4.7.1. Social Services and Amenities

Entitlement/ Commitment: Social service amenities (health, recreational and educational facilities) will be replaced in the resettlement area as far as is possible given that government (national, provincial, and municipal) determines where some of these services will be located.	
Category of affected persons:	All displaced persons
Source:	2016 Entitlement Framework

Was this entitlement delivered?	This was delivered. However, certain infrastructure that has been transferred to the municipality has since fallen into disrepair and disuse.
Supporting information:	See Figure 4-3 to Figure 4-9.

As indicated in the table above, stakeholders consulted during the audit pointed out that some infrastructure that has been transferred to the municipality has since fallen into disrepair and disuse. In this respect, the audit report stipulates the following **corrective actions**:

- Support GLM in engagement with the community to decide on the most appropriate future use of community infrastructure (clinic, youth centre, etc.) that was transferred to the municipality and has since fallen into disrepair and disuse.
- Assess structures for build quality, as for dwellings (see Section 4.2.3.7).



Figure 4-3: Catholic Church: Original and Replacement



Figure 4-4: Police Station: Original and Replacement



Figure 4-5: Post Office: Original and Replacement



Figure 4-6: Business Premises: Original and Replacement



Figure 4-7: Fred's Inn: Original and Replacement



Figure 4-8: New Community Centre

- ✓ Built during 2018 / 2019
- ✓ Built by a Siyathemba SMME
- ✓ Lovelife programme
- ✓ Soccer
- ✓ Action cricket
- ✓ Netball
- ✓ Basket ball
- ✓ Foot ball



Figure 4-9: New Youth Centre

4.7.2. Dingleton Primary School

Entitlement/ Commitment: The primary school in Dingleton must be replaced. This will be replaced in Kathu Phase IV unless otherwise directed by the Department of Education (DoE).	
Category of affected persons:	All displaced persons
Source:	2012 Entitlement Framework
Was this entitlement delivered?	This was done. However, the audit identified concerns about Sishen Primary School's poor-quality infrastructure and possible safety risks.
Supporting Information.	The audit report contains evidence that the primary school was replaced (see Figure 4-10).

As indicated in the table above, concerns have been raised about Sishen Primary School's poor-quality infrastructure and possible safety risks. Issues were also raised about road safety and the vulnerability of children during school holidays (when the school feeding scheme is not operational). In this respect, the audit report identifies the following **corrective actions**:

- Determine reasons for deterioration of replacement structures (Sishen Primary School and institutional housing) and implement appropriate remedial action if required.
- Appropriate measures must be implemented to mitigate safety and security risks for children walking long distances to school. (The option of a bus service is being evaluated.)
- Assess options for providing nutritional support and supervision for school-going children during school holidays to offset differences between the current DoE-managed school feeding scheme and the scheme previously run by the soup kitchen at Dingleton.



Figure 4-10: Dingleton Primary School: Original and Replacement

4.7.3. Kathu High School

Entitlement/ Commitment: The Kathu High School may have to be expanded as learners who go to Olifantshoek may need to be accommodated. However, this is part of the overall planning for the expansion of the educational facilities in Kathu and not strictly part of the Dingleton resettlement.

Category of affected persons:	All displaced persons
Source:	2012 Entitlement Framework
Was this entitlement delivered?	This was done.
Supporting Information.	The audit report contains evidence that the high school was extended. One additional wing with classrooms and 3 laboratories was constructed.

4.7.4. Replacement Public Pool

Entitlement/ Commitment: The 2016 Entitlement Framework mentions the replacement of the public pool, but questions if the community should not rather use community facilities elsewhere – thus also promoting integration of the resettled community into the broader Kathu community.	
Category of affected persons:	All displaced persons
Source:	2012 Entitlement Framework
Was this entitlement delivered?	The pool was not replaced.
Supporting Information.	The pool in Dingleton was not functioning due to the municipality struggling with water supply and maintenance. The municipality elected not to take on the responsibility of maintaining and operating the pool in addition to other municipal facilities. (Integration of the resettled community into the broader Kathu community was also considered in this decision.) The community's leadership, the RWG, played a role in the decision-making process and therefore, the municipality decided to use the compensation money received for the pool for other purposes.

5. Conclusions

5.1. Summary of Findings

Overall, the commitments and entitlements that were agreed upon during or after resettlement planning **have been delivered**. However, the audit found minor exceptions:

- Towards the end of the DRP, transparency in communications may have been compromised due to the urgency of resettling the last remaining households.
- Confusion arose from EA appendices, with some homeowners misunderstanding cash compensation amounts shown as additional to in-kind assets.

- Long-term temporary accommodation (such as in the OCP) could create *de facto* expectations of permanence.
- Components of the long-term rental strategy still need to be implemented.
- Concerns were raised about Sishen Primary School's poor-quality infrastructure and possible safety risks.
- Issues were also raised about road safety, building quality and the vulnerability of children during school holidays.
- Some homeowners expressed dissatisfaction with replacement houses, citing issues like poor workmanship, structural damage, and inadequate maintenance.
- There are also community complaints about flooding that need further attention.
- Because grazing land was donated to the GLM, livestock owners have no security of tenure and risk having livestock relocated in future if the municipality opts to exercise the option to use the land for housing development.
- The perception exists among some community members that they were excluded from skills training and SMME development opportunities. There also appears to have been limited scope of benefits for women and those not involved in employment opportunities provided during construction.

5.2. Summary of Corrective Actions

In view of the outstanding issues listed in Section 5.1, the audit identified a number of corrective actions. These have been included in the appropriate sections of Chapter 4, and are listed in summary form below:

- Renew engagement with the resettled community to re-establish the community's trust and to disclose the audit findings.
- Document and disclose the procedures/ formulas/ rates used to calculate replacement values and cash compensation amounts
- Conclude negotiations with GLM for transfer of the 142 stands for the development of RDP housing for renters who did not own properties in Dingleton, as well as the transfer of the Siyathemba Flats so that occupants can receive sectional title deeds as a form of security of tenure.³
- Provide an appropriate response to community complaints about flooding and pooling of water on replacement stands.
- In collaboration with resettled livestock owners, formulate and implement a sustainable system of grazing management that prevents overgrazing.

³ As mentioned previously, this description of the outstanding actions reflects the status quo at the time of the audit. Since then, the 142 stands have been transferred to the GLM. COGHSTA must now build the RDP houses. In respect of the transfer of the Siyathemba Flats, the GLM has signed a donation agreement in terms of which the flats and the land on which it is constructed will be donated to the GLM. Once the transfer has been registered, the flats will be converted to a sectional title scheme and ownership transferred to the beneficiaries in one simultaneous transaction.

- Establish ongoing monitoring of the grazing lands and provide continuous support to livestock owners to ensure that overgrazing does not further compromise the restoration of livelihoods.
- In consultation with GLM, assess options for providing security of tenure for users of grazing land.
- Appropriate measures must be implemented to mitigate safety and security risks for children walking long distances to school
- Assess options for providing nutritional support and supervision for school-going children during school holidays to offset differences between the current DoE-managed school feeding scheme and the scheme previously run by the soup kitchen at Dingleton.
- Support GLM in engagement with the community to decide on the most appropriate future use of community infrastructure (clinic, youth centre, etc.) that was transferred to the municipality.
- Determine reasons for deterioration of replacement structures (Sishen Primary School and institutional housing) and implement appropriate remedial action if required.
- Address community perceptions of inadequate living conditions at the resettlement site, specifically statements of poor workmanship in replacement structures.
- SMMEs to pursue options for skills training and SMME development linked to sustainable opportunities by SCM and Sishen Mine.
- Address the gender imbalance in training and SMME development opportunities provided to resettled persons (female participants to be encouraged to comply and tender).

6. Overall Conclusions

International standards state that resettlement can be considered complete when the adverse impacts of resettlement have been addressed in a manner that is consistent with the RAP. Based on this definition, the completion audit has determined that physical and economical displacement impacts for the most part have been **successfully mitigated**.

However, a few outstanding issues remain to be addressed, including:

- The issue of renters currently residing in temporary accommodation.
- On-going engagement with GLM and Northern Cape Provincial Government, to ensure long term maintenance and sustainability of Siyathemba, given that the GLM has taken over this responsibility.
- Statements by community members about poor workmanship of replacement structures need to be investigated and addressed as appropriate

It is recommended that monitoring continue to track the progress of any outstanding issues and corrective action.

