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Long term sustainability of mine villages

AngloGold Ashanti's South Africa region has initiated a process of formalising the mine villages near its Vaal River and West Wits operations. What this means is that the company is going through the necessary technical and public participation procedures and getting the approval of the relevant authorities to have the villages proclaimed public townships. Currently the property within these areas falls under the jurisdiction of the Department of Minerals and Energy. The table below spells out the changes that occur when these mining villages become proclaimed townships.



Mining villages	Proclaimed townships
Mining villages, property and land use rights vest with AngloGold Ashanti and are aimed at supporting the core mining function.	The villages have the characteristics of a normal town where residents have access to land with a variety of defined uses in line with the standards approved by the provincial planning authorities.
Residents and businesses merely lease the land. Third-party ownership is not possible.	Various tenure and upgrading options become available.
The development and sustainability of the community is not considered as part of the strategic planning and budgeting priorities of the local authority.	The village areas are included in the social, infrastructural, health, economic and developmental (including housing) planning of the local municipalities.
The use of the land is managed through a system of permits and consents from the Department of Minerals and Energy.	Land use is managed by the local authority in terms of its zoning policies, municipal by-laws and Integrated Development Plans (IDPs).
AngloGold Ashanti attends to the needs (in terms of the provision of municipal services) of its workforce.	The local council is responsible for attending to these needs for its citizens and those living in surrounding communities.

One aspect that does not change is the responsibility for environmental rehabilitation and the safety of mining operations which remains with AngloGold Ashanti.

The goal of the formalisation process is to hand over control and management of these residential areas to the local municipalities in order to ensure self-sustainable communities when mining operations cease.

Formalisation brings a number of benefits to the residents including:

- the provision of services (including bulk water supply, sewage, storm water and solid waste management) and roads to bring these in line with the requirements of the local authority;
- the registration of individual erven with approved rezoning rights with the office of the

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Surveyor General and the National Deeds Office. This will give people the chance to own their homes and will open the way for expanded business development; and

- access to social services that the municipality may provide, for example, clinics, libraries and pension payout points.

AngloGold Ashanti properties manager Jacques Wessels says that before embarking on the formalisation process the company appointed a team of specialists to investigate if, from a technical perspective, there were any 'fatal flaws' in the plan for the West Wits and Vaal River/Umuzimuhle villages. No impediments were found but anticipated development parameters were formulated. The local authorities were approached to enlist their support in principle for the intended process and their sanction was received for the inclusion of the villages into their area of jurisdiction.

West Wits and Vaal River/Umuzimuhle villages

Established in 1957 at the time of the development of the Western Deep Levels mine (now known as the West Wits operations), West Wits Village is situated 7 kilometres south of the centre of Carletonville and 10 kilometres north-west of Fochville in North West Province. The proposal for the 300-hectare area includes 572 erven: 518 residential erven, 48 hectares of erven with high-density accommodation (including offices and other facilities in some cases) and 53 erven to be used for commercial and industrial purposes related to support services. An area may also be set aside for education facilities.

Once the formalisation has been completed, control and management of this area will fall under the Merafong Local Municipality.

Vaal River/Umuzimuhle Village is situated 12 kilometres south-south-east of Klerksdorp, 7 kilometres to the east of Orkney and 9 kilometres south of Stilfontein in North West Province. Some 407 hectares in size, the proposed township will comprise 1,403 erven: 1,292 residential erven, 10 erven with high-density accommodation and an additional 101 erven relating to economic and other land uses related to support services. The plan makes provision for a centrally situated mixed land use zone for municipal facilities and commercial activities.

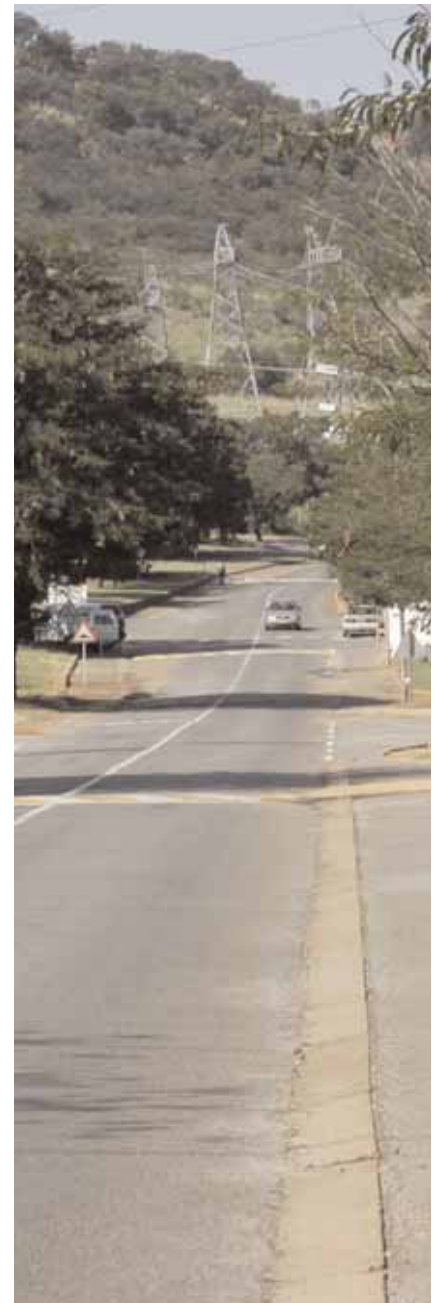
Control and management of this village will fall under the Matlosana Local Municipality when it becomes a proclaimed township.

Public participation

AngloGold Ashanti is involved in an extensive public participation process to give people who may be affected by the proposed formalisation ample opportunity to comment, to raise concerns or to make suggestions that may result in the enhancement of the project.

The first invitations to participate were issued in mid-November 2006 and, in addition to briefing documents, newspaper advertisements, notices and fliers, a series of public interaction meetings are being held. Draft town planning layouts are available for public viewing at central venues in both villages.

Comments and issues raised during the public participation process will be fed into the Environmental Assessment Report which forms the basis on which the environmental and planning authorities will base their decision to approve or decline the formalisation. Responses to the town planning aspects (layout, conditions and so forth) will be submitted to the local authority for evaluation.



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Progress to date

Independent environmental urban planning and engineering consultants were appointed by AngloGold Ashanti to assess the impact of the proposed townships on the surrounding environment. The study was submitted to the North West Department of Agriculture, Conservation, Environment and Tourism (NWDACET) in May 2006. Site layout plans, prepared with inputs from geotechnical, engineering and environmental consultants, are being reviewed by the Merafong and Matlosana municipalities.

Towards completion

Once the public participation process has been completed, a Scoping Report will be submitted to NWDACET which will then decide, on the basis of environmental considerations, whether the project can proceed and, if so, on what conditions.

When approval is given by the Planning Tribunal at the local authority concerned, conditions will be set regarding the establishment of the township and its layout. The role and responsibilities of the service providers as well as the services handover programme would also be finalised.

The next step would be the final survey and approval of the overall plan by the Surveyor General. This would be followed by the opening of a register at the Deeds Office, the obtaining of clearance certificates for the upgrading of all services and, finally, the proclamation of the township. It is expected that the township will be proclaimed by the end of 2007.

Conclusion

Jacques Wessels points out that the basic motivation for the establishment of the townships is to "normalise" the existing situation to ensure sustainable utilisation and future development of the areas, aligned with the local authorities' integrated development plans.

"Formalisation acknowledges the urban nature of the area and makes land uses, engineering services and the legal basis of the erven compliant with the standards of the authorities who control land development."

He adds: "By providing the legal and technical basis for the allocation of land for non-mining activities and for the transfer of property, growth and integration will be facilitated and, ultimately, sustainability achieved."

