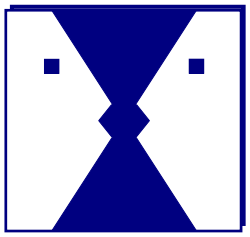
Proposed Africa Oil SA Corp Block 3B/4B Offshore Exploration

Social Impact Assessment



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Executive Summary

Africa Oil SA Corp, Ricocure (Pty) Ltd and Azinam Limited (a wholly owned subsidiary of Eco Atlantic) formed a joint venture with the intent to do offshore exploration in Block 3B/4B. The applicants are the holders of an existing exploration right for Block 3B/4B in terms of the Mineral and Petroleum Resources Development Act (No. 28 of 2002 – MPRDA), as amended. The licence block covers an area of approximately 11 100 km^2 and is situated between latitudes 31°S and 33°S on the continental shelf in water depths ranging from 200 m to 2 000 m.

The proposed project area is located on the edge of the South African exclusive economic zone in the Atlantic Ocean. Block 3B/4B is located approximately 120 km west of St Helena Bay and approximately 145 km south-west of Hondeklip Bay off the West Coast of South Africa. The area of primary interest is in the north of this block, but this could also cover other areas in future. As part of the process of applying for the Exploration Right, the applicant undertook and completed the reprocessing project covering 2 000 km^2, which is a subset of the 10 000 km^2 BHP/Shell 3D seismic datasets, focussed primarily on the most northern portion of Block 3B/4B.

The people potentially affected by the proposed project are those living in the areas adjacent to the ocean whose activities could potentially be affected. The following areas are included in the baseline description of the social environment:

- Northern Cape Province
    - Namakwa District Municipality
        - Richtersveld Local Municipality (Wards 2, 3, 4)
        - Nama Khoi Local Municipality (Ward 8)
        - Kamiesberg Local Municipality (Wards 1, 2)
- Western Cape Province
    - West Coast District Municipality
        - Matzikama Local Municipality (Wards 2, 5, 8)
        - Cederberg Local Municipality (Ward 5)
        - Bergrivier Local Municipality (Wards 6, 7)
        - Saldanha Bay Local Municipality (Wards 1, 3, 5, 6, 11, 12, 14)

    - Swartland Local Municipality (Ward 5)
  - City of Cape Town Metropolitan Municipality (Wards 4, 23, 29, 32, 54, 55, 74, 107, 113, 115)

Various groups of stakeholders have been included in the study. Stakeholders include:

- Internal stakeholders - Africa Oil SA Corp, Ricocure (Pty) Ltd, Azinam Limited, Eco Atlantic
- Governmental departments and directorates
- State-owned entities and regulators
- Fishing Industry
- Petroleum and Gas Industry
- Other industries
- Environmental Interest groups
- Social Organizations
- Local coastal communities
- Local indigenous people
- Future generations

Apart from the potential social impacts that will be created, there are also several social risks that must be considered before any activities are considered. The social risks include:

- Opposition to the project through appeals and court cases causing a significant delay in the process
- Damage to corporate reputation
- Lack of social license to operate
- Community protests and potential for civil unrest
- Stakeholder fatigue

In South Africa the environmental authorisation process is triggered by certain activities. As a result, a project may be required to go through several impact assessment processes during the different phases of the project. This Social Impact Assessment Report is only applicable to the drilling of a limited number of exploration wells (between 1 and 5). The activities will take place > 180 km off shore. As a result,

direct social impacts of the activity are limited. Five existing phenomena that causes impacts in the project area has been identified. These impacts relate to mining; the fishing industry; climate change; governance issues; and poverty, inequality, and unemployment. Any impact generated by the proposed exploration activities have to be considered in this context.

Potential impacts directly caused by the exploration activities relate to the impact of unplanned events on the livelihoods of the community, the impact of an oil blow out (worst case scenario), uncertainty and confusion about project phases and activities, and the impact on community cohesion.

Based on the findings of the study, the following recommendations are made:

- Should the project be approved, the Applicants must do a stakeholder analysis and develop a Stakeholder Engagement Plan for the exploration phase before any activities take place[1]. The stakeholder analysis conducted in this report can be used as a starting point. There are a number of misconceptions, uncertainties and confusion that should be cleared out before the exploration commence. The plan must ensure that the different voices of stakeholders are considered and documented.
- Transparency and honesty are important considerations, and the Applicants should communicate in a clear and consistent manner.
- The Applicants must develop a Grievance Mechanism and identify a contact person in each coastal/fishing community to communicate with the different communities. The contact person must have direct access to the Applicants to ensure effective and speedy communication. All communication with affected communities must be in Afrikaans and English. WhatsApp is the preferred communication mechanism.
- The Applicants must ensure that all their insurance policies are in place in case of an unexpected event or oil spill.

[1] This does not refer to the stakeholder engagement process conducted as part of the EIA process, but an additional process should approval be granted.

- The Applicants must develop an Oil Spill Response Plan that is in line with the requirements captured in the EMPr and meet international best practice principals.

Based on the information presented in this report there are no social impacts that presents a fatal flaw, and therefore the recommendation is for the exploration process to be approved. It must also be noted that the proposed project can expect strong resistance from some local communities and environmental organisations.

Opsomming

Africa Oil SA Corp, Ricocure (Edms) Bpk and Azinam Beperk ('n volfiliaal van Eco Atlantic) het 'n gesamentlike onderneming gevorm met die intensie om seewaartse verkenning te doen in Blok 3B/4B. Die aansoekers hou die bestaande verkenningsreg vir Blok 3B/4B en in terme van die Wet op die Ontwikkeling van Minerale en Petroleumhulpbronne (Nr. 28 van 2002 – MPRDA), soos gewysig. Die lisensieblok beslaan 'n oppervlakte van ongeveer 11 100 km^2, en is geleë tussen breedtegraad 31°S en 33°S op die vastelandsplat in water dieptes wat wissel van 200 m tot 2 000 m.

Die voorgestelde projek area is op die rand van die Suid-Afrikaanse eksklusiewe ekonomiese zone in die Atlantiese Oseaan geleë. Blok 3B/4B is ongeveer 120 km wes van St. Helenabaai en ongeveer 145 km suidwes van Hondeklipbaai aan die Weskus van Suid-Afrika geleë. Die gebied van primêre belang is in die noorde van hierdie blok, maar dit kan in die toekoms ander gebiede beslaan. As deel van die proses van aansoek vir die Verkenningsreg, het die aansoeker 'n herverwerkingsprojek onderneem en voltooi wat 'n gebied beslaan van 2 000km^2, wat 'n deel uitmaak van die 10 000km^2 BHP/Shell 3D seismiese datastelle, hoofsaaklik gefokus oor die noordelike gedeelte van Blok 3B/4B.

Die mense wat moontlik deur die voorgenome projek geraak kan word, is diegene wat in areas aangrensend aan die oseaan woon wie se aktiwiteite potensieel geaffekteer kan word. Die volgende areas is ingesluit in die basislyn beskrywing van die maatskaplike omgewing:

- Noord Kaap Provinsie
    - Namakwa Distriksmunisipaliteit
        - Richtersveld Plaaslike Munisipaliteit (Wyke 2, 3, 4)
        - Nama Khoi Plaaslike Munisipaliteit (Wyk 8)
        - Kamiesberg Plaaslike Munisipaliteit (Wyke 1, 2)
- Wes Kaap Provinsie
    - Weskus Distriksmunisipaliteit

- Matzikama Plaaslike Munisipaliteit (Wyke 2, 5, 8)
- Cederberg Plaaslike Munisipaliteit (Wyk 5)
- Bergrivier Plaaslike Munisipaliteit (Wyke 6, 7)
- Saldanhabaai Plaaslike Munisipaliteit (Wyke 1, 3, 5, 6, 11, 12, 14)
- Swartland Plaaslike Munisipaliteit (Wyk 5)
- Stad Kaapstad Metropolitaanse Munisipaliteit (Wyke 4, 23, 29, 32, 54, 55, 74, 107, 113, 115)

Verskeie groepe belanghebbendes is ingesluit in die studie. Belanghebbendes sluit in:

- Interne belanghebbendes – Africa Oil SA Corp, Ricocure (Pty) Ltd, Azinam Limited, Eco Atlantic
- Staatsdepartemente en direktorate
- Entiteite in staatsbesit en reguleerders
- Vissery bedryf
- Petroleum en gas bedryf
- Ander bedrywe
- Omgewingsbelangegroepe
- Maatskaplike organisasies
- Plaaslike kusgemeenskappe
- Plaaslike inheemse mense
- Toekomstige generasies

Buiten vir die potensiële sosiale impakte wat geskep kan word, is daar ook verskeie sosiale risiko's wat oorweeg moet word voordat enige aktiwiteite oorweeg kan word. Die sosiale risiko's sluit in:

- Teenstand teen die projek deur appèlle en hofsake wat aansienlike vertragings in die proses veroorsaak

- Skade aan korporatiewe reputasie
- Gebrek aan sosiale lisensie om te bedryf
- Gemeenskapsbetogings en potensiaal vir burgerlike onrus
- Uitputting van belanghebbendes

In Suid Afrika word die omgewingsgoedkeuringsproses geaktiveer deur sekere aktiwiteite. As gevolg hiervan mag dit vir ‘n projek nodig wees om deur verskeie impakbeoordelingsprosesse te gaan gedurende verskillende fases van die projek. Die Sosiale Impakstudie verslag is net van toepassing op die boor van ‘n beperkte aantal verkenningsputte (tussen 1 en 3). Die aktiwiteit sal > 180 km van die kus af plaasvind. Gevolglik is die direkte maatskaplike impakte van die aktiwiteit beperk. Vyf bestaande verskynsels wat impakte in die projek area veroorsaak is geïdentifiseer. Hierdie impakte hou verband met mynbou; visserye; klimaatsverandering; bestuurskwessies; en armoede, ongelykheid en werkloosheid. Enige impak wat geskep word deur die voorgenome verkenningsaktiwiteite moet binne hierdie konteks oorweeg word.

Potensiële impakte wat direk deur die verkenningsaktiwiteite veroorsaak word hou verband met die impak van onbeplande gebeure op die lewensbestaan van die gemeenskap, die impak van ‘n olie put wat uitblaas (ergste scenario),onsekerheid en verwarring oor projek fases en aktiwiteite, en die impak op gemeenskap samehorigheid.

Op grond van die bevindinge van die studie word die volgende aanbevelings gemaak:

- Indien die aansoek goedgekeur word moet die Aansoeker ‘n ontleding van belanghebbendes doen en ‘n strategie vir betrokkenheid van belanghebbendes ontwikkel spesifiek gerig op die verkennings fase[2]. Die ontleding van die belanghebbendes wat as deel van hierdie verslag gedoen is kan as begin punt gebruik word. Daar is ‘n aantal wanopvattings, onsekerhede en verwarring wat opgeklaar moet word voor die verkenning begin. Die

[2] Hierdie verwys nie na die strategie wat vir die omgewings impak studie gebruik is nie, maar ‘n addisionele strategie indie die projek goedgekeur word.

strategie moet verseker dat die verskillende stemme van belanghebbendes oorweeg en gedokumenteer word.

- Deursigtigheid en eerlikheid is belangrike oorwegings, en die Aansoeker moet op ‘n duidelike en konsekwente wyse kommunikeer.
- Die Aansoeker moet ‘n griewe meganisme ontwikkel en 'n kontakpersoon in elke kus-/vissersgemeenskap identifiseer om met die verskillende gemeenskappe te kommunikeer. Die kontakpersoon moet direkte toegang tot die Aansoekers hê om effektiewe en spoedige kommunikasie te verseker. Alle kommunikasie met geaffekteerde gemeenskappe moet in Afrikaans en Engels wees. WhatsApp is die voorkeur kommunikasie meganisme.
- Die Aansoeker moet verseker dat al hulle versekeringspolisse in plek is vir in geval van ‘n onverwagse gebeurtenis of oliestorting.
- Die Aansoeker moet ‘n Oliestorting respons plan ontwikkel wat lyn met die vereistes wat in die Omgewings bestuur plan gestel word is en voldoen aan internasionale beste praktyk beginsels.

Gebaseer op die inligting wat in die verslag aangebied is, is daar geen maatskaplike impakte wat dui op ‘n fatale fout nie, en dus is die aanbeveling dat die eksplorasie goedgekeur word. Daar moet op gelet word dat die voorgenome projek sterk teenstand van sommige plaaslike gemeenskappe en omgewingsorganisasies kan verwag.

Declaration of Independence

Equispectives Research and Consulting Services declare that:

- All work undertaken relating to the proposed project was done as independent consultants;
- They have the necessary required expertise to conduct social impact assessments, including the required knowledge and understanding of any guidelines or policies that are relevant to the proposed activity;
- They have undertaken all the work and associated studies in an objective manner, even if the findings of these studies were not favourable to the project proponent;
- They have no vested interest, financial or otherwise, in the proposed project or the outcome thereof, apart from remuneration for the work undertaken under the auspices of the above-mentioned regulations;
- They have no vested interest, including any conflicts of interest, in either the proposed project or the studies conducted in respect of the proposed project, other than complying with the relevant required regulations; and
- They have disclosed any material factors that may have the potential to influence the competent authority's decision and/or objectivity in terms of any reports, plans or documents related to the proposed project as required by the regulations.

Record of Experience

Ilse Aucamp and San-Marié Aucamp compiled this report.

Ilse Aucamp holds a D Phil degree in Social Work obtained from the University of Pretoria in 2015. She also has master's degree in environmental management (Cum Laude) from the Potchefstroom University for Christian Higher Education, which she obtained in 2004. Prior to that she completed a BA degree in Social Work at the University of Pretoria. She is frequently a guest lecturer in pre- as well as post-graduate programmes at various tertiary institutions. Her expertise includes social impact assessments, social management plans, social and labour plans, social auditing, training as well as public participation. She is a co-author of the newly published *Social Impact Assessment: Guidance for assessing and managing the social impacts of projects* document published by the International Association for Impact Assessment.

San-Marié Aucamp is a registered Research Psychologist with extensive experience in both the practical and theoretical aspects of social research. She has more than 20 years' experience in social research, and she occasionally presents guest lectures on social impact assessment. Her experience includes social impact assessments, social and labour plans, training, group facilitation as well as social and marketing research in a range of sectors such as mining, manufacturing, utilities, government, automotive, financial services, telecoms and IT as well as FMCG. She occasionally presents guest lectures at tertiary institutions. San-Marié is a contributor to the international guidance document on assessing and managing social impacts for projects that was published by IAIA International in 2015. She is currently busy with her PhD in Consulting Psychology.

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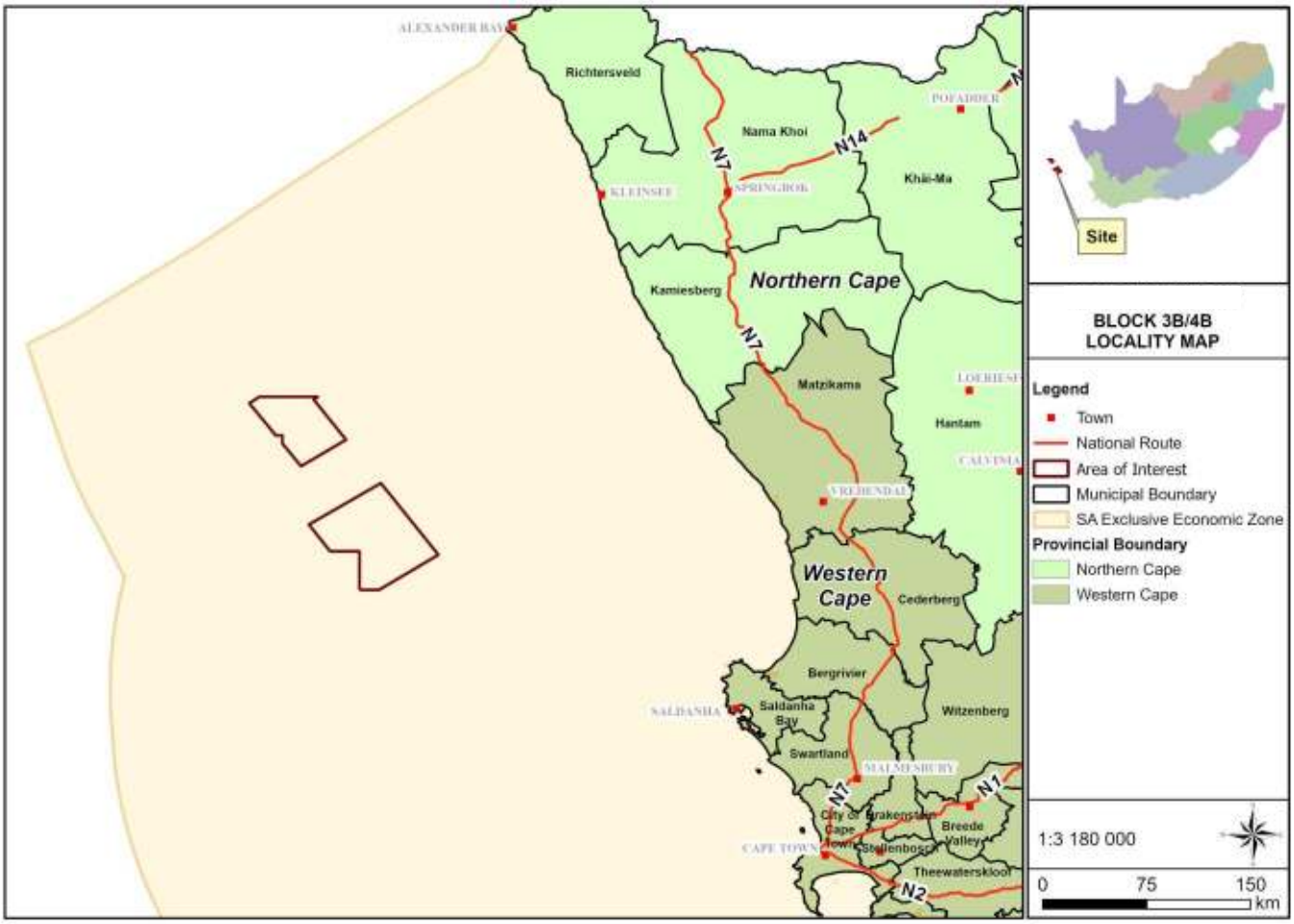
1 Introduction

Africa Oil SA Corp, Ricocure (Pty) Ltd and Azinam Limited (a wholly owned subsidiary of Eco Atlantic) - hereafter jointly referred to as the Applicants, formed a joint venture with the intent to do offshore exploration in Block 3B/4B. The applicants are the holders of an existing exploration right for Block 3B/4B in terms of the Mineral and Petroleum Resources Development Act (No. 28 of 2002 – MPRDA), as amended. The licence block covers an area of approximately 11 100 km^2 and is situated between latitudes 31°S and 33°S on the continental shelf in water depths ranging from 200 m to 2 000 m.

Block 3B/4B is located approximately 120 km west of St Helena Bay and approximately 145 km south-west of Hondeklip Bay off the West Coast of South Africa. The area of primary interest is in the north of this block, but this could also cover other areas in future. As part of the process of applying for the Exploration Right, the applicant undertook and completed the reprocessing project covering 2 000 km^2, which is a subset of the 10 000 km^2 BHP/Shell 3D seismic datasets, focussed primarily on the most northern portion of Block 3B/4B.

Figure 1 shows the location of the proposed project area.

Figure 1: Locality of proposed project.



The purpose of this report is to provide baseline information regarding the socio-economic environment, to identify possible social and economic impacts and to suggest ways in which these impacts can be mitigated. This will assist decision-makers on the project in making informed decisions by providing information on the potential or actual consequences of their proposed activities. The process entailed the following:

- A baseline socio-economic description of the affected environment;
- Identification of potential social and economic change processes that may occur as a result of the project; and
- Identification of potential social and economic impacts and mitigation and management measures.

One of the ways in which social risk can be managed is by conducting a social impact assessment (SIA). Such an assessment can assist with identifying possible social impacts and

risks. Disregarding social impacts can alter the cost-benefit equation of development and in some cases even undermine the overall viability of a project. A proper social impact assessment can have many benefits for a proposed development (UNEP, 2002) such as:

- Reduced impacts on communities of individuals;
- Enhanced benefits to those affected;
- Avoiding delays and obstruction – helps to gain development approval (social license);
- Lowered costs;
- Better community and stakeholder relations; and
- Improved proposals.

EIMS was appointed to manage the Environmental Impact Assessment for the project and they appointed Equispectives Research and Consulting Services to perform a social impact assessment for the proposed project. This report represents the findings and recommendations of a social screening for the proposed project as part of the scoping phase. This report represents the findings and recommendations of the social impact assessment for the proposed project.

2 Scope of Work

The purpose of the SIA is to provide input in the Environmental Impact Assessment (EIA)/ Environmental Management Programme (EMPr) Report for the proposed project.

Appendix 6 of the EIA Regulations requires specialists to include in the following in the specialist report:

1(cB) A description of existing impacts on the site, cumulative impacts of the proposed development and levels of acceptable change;

1(f) Details of an assessment of the specific identified sensitivity of the site related to the proposed activity or activities and its associated structures and infrastructure, inclusive of a site plan identifying site alternatives;

1(g) An identification of any areas to be avoided, including buffers;

1(h) A map superimposing the activity including the associated structures and infrastructure on the environmental sensitivities of the site including areas to be avoided, including buffers;

1(k) Mitigation measures for inclusion in the EMPR;

1(l) any conditions for inclusion in the environmental authorisation;

1(n) A reasoned opinion-

(i) whether the proposed activity, activities or portions thereof should be authorised;

(iA) Regarding the acceptability of the proposed activity or activities;

(ii) if the opinion is that the proposed activity, activities or portions thereof should be authorised, any avoidance, management and mitigation measures that should be included in the EMPr

3 Methodology

Scientific social research methods were used for this assessment. To clarify the process to the reader, this section will start with a brief explanation of the processes that have been used in this study.

3.1 Information base

The information used in this report was based on the following:

- A literature review (see list provided in the References);
- Data from Statistics South Africa;
- The public participation records provided by EIMS;
- Professional judgement based on experience gained with similar projects; and
- Consultation with affected stakeholders.

3.2 Assumptions and limitations

The following assumptions and limitations were relevant:

1. This report is based only on the social impacts of the exploration activities. It is assumed that the exploration will be no langer than 90 days, that crews and equipment will leave from Cape Town, and that when they are not housed on the drills, the crew will stay in existing tourist accommodation.
2. Not every individual in the community could be interviewed therefore only key people in the community were approached for discussion. Additional information was obtained using existing data.
3. The social environment constantly changes and adapts to change, and external factors outside the scope of the project can offset social changes, for example changes in local political leadership, droughts, or economic conditions. It is therefore difficult to predict all impacts to a high level of accuracy, although care has been taken to identify and address the most likely impacts in the most appropriate way for the current local

context within the limitations. In addition, it is also important to manage social impacts for the life of the project, especially in the light of the changing social environment.

4. Social impacts can be felt on an actual or perceptual level, and therefore it is not always straightforward to measure the impacts in a quantitative manner.

5. Social impacts commence when the project enters the public domain. Some of these impacts will occur irrespective of whether the project continues or not, and other impacts have already started. These impacts are difficult to mitigate, and some would require immediate action to minimise the risk.

6. There are different groups with different interests in the community, and what one group may experience as a positive social impact, another group may experience as a negative impact. This duality will be pointed out in the impact assessment phase of the report.

7. Social impacts are not site-specific but take place in the communities surrounding the proposed development.

3.3 Social Impact Assessment Model

The theoretical model used for this impact assessment was developed by Slootweg, Vanclay and Van Schooten and presented in the *International Handbook of Social Impact Assessment* (Vanclay & Becker, 2003). This model identifies pathways by which social impacts may result from proposed projects. The model differentiates between social change processes and social impacts, where the social change process is the pathway leading to the social impact. Detail of how the model works is not relevant to this study, but it is important to understand the key concepts, which will be explained in the following paragraphs.

Social change processes are set in motion by project activities or policies. A social change process is a discreet, observable, and describable process that changes the characteristics of a society, taking place regardless of the societal context (that is, independent of specific groups, religions etc.) These processes may, in certain circumstances and depending on the context, lead to the experience of social impacts (Vanclay, 2003). If managed properly,

however, these changes may not create impacts. Whether impacts are caused will depend on the characteristics and history of the host community, and the extent of mitigation measures that are put in place (Vanclay, 2003). Social change processes can be measured objectively, independent of the local context. Examples of social change processes are an increase in the population, relocation, or the presence of temporary workers.

For the purpose of this report, the following social change process categories were considered:

- Demographic processes;
- Economic processes;
- Geographic processes;
- Institutional and legal processes;
- Emancipatory and empowerment processes;
- Socio-cultural processes; and
- Other relevant processes.

The *International Association for Impact Assessment* (2003) states that Social Impact Assessment includes the processes of analysing, monitoring, and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by these interventions. Its primary purpose is to bring about a more sustainable and equitable biophysical and human environment.

A social impact is something that is experienced or felt by humans. It can be positive or negative. Social impacts can be experienced in a physical or perceptual sense. Therefore, two types of social impacts can be distinguished:

- **Objective social impacts** – i.e. impacts that can be quantified and verified by independent observers in the local context, such as changes in employment patterns, in standard of living or in health and safety.

- **Subjective social impacts** – i.e. impacts that occur "in the heads" or emotions of people, such as negative public attitudes, psychological stress or reduced quality of life.

It is important to include subjective social impacts, as these can have far-reaching consequences in the form of opposition to, and social mobilisation against the project (Du Preez & Perold, 2005).

For the purpose of this SIA, the following Social Impact Assessment categories were investigated:

- Health and social well-being;
- Quality of the living environment;
- Economic impacts and material well-being;
- Cultural impacts;
- Family and community impacts;
- Institutional, legal, political and equity impacts; and
- Gender impacts.

Relevant criteria for selecting significant social impacts included the following:

- Probability of the event occurring;
- Number of people that will be affected;
- Duration of the impact;
- Value of the benefits or costs to the impacted group;

- Extent to which identified social impacts are reversible or can be mitigated;
- Likelihood that an identified impact will lead to secondary or cumulative impacts;
- Relevance for present and future policy decisions;
- Uncertainty over possible effects; and
- Presence or absence of controversy over the issue.

For the purpose of this study, the model was adapted to suit the South African context, and where processes and impacts were not relevant to the study, it was omitted. Each category has a number of sub-categories, which also have been investigated. The Equator Principles, International Finance Corporation Performance Standards and World Bank Environmental, Health and Safety guidelines were consulted in the writing of this report and the mitigation suggested adheres to these requirements.

3.4 Literature study

A literature search was undertaken to obtain secondary data for the baseline description of the socio-economic environment. The information in this report was acquired via statistical data obtained from Statistics South Africa, SIA literature (see References), previous SIA studies conducted in the area, EIMS's public consultation process and information from reputable sources on the World Wide Web.

3.5 Research approach

Traditionally there are two approaches to SIA, a technical approach, and a participatory approach. A technical approach entails that a scientist remains a neutral observer of social phenomena. The role of the scientist is to identify indicators, obtain objective measures relevant to the situation and provide an expert assessment on how the system will change (Becker, Harris, Nielsen & McLaughlin, 2004). A participatory approach uses the knowledge and experiences of individuals most affected by the proposed changes as the basis for projecting impacts. In this case the role of the scientist is facilitator of knowledge sharing, interpretation, and reporting of impacts (Becker et al, 2004). A combination of these approaches was used for this study.

The findings presented in this report are based on primary and secondary (desk) research. A qualitative approach was followed for the primary research, while qualitative and quantitative data were used for the secondary research.

The layperson sometimes criticises qualitative research as “subjective” or “not really that scientific”. For this reason, it is vital to understand the distinction between qualitative and quantitative research and their respective areas of application.

Qualitative research as a research strategy is usually characterised by the inference of general laws from particular instances, forms theory from various conceptual elements, and explains meaning (David & Sutton, 2004). It emphasises words rather than quantification in the collection and analysis of data. Data collection takes place by using methods such as unstructured or semi-structured interviews, focus groups, observations, etc. Data is not recorded in any standardised coding format but is usually reported according to themes. Qualitative data express information about feelings, values, and attitudes. This approach is used where insight and understanding of a situation is required (Malhotra, 1996). Participants are selected based on their exposure to the experience or situation under review. The aim of qualitative research is to understand, not to quantify and as such it is extremely suitable for assessing social impacts. A potential impact must be understood before it can be assessed appropriately.

Quantitative research as a research strategy usually makes inferences of particular instances by reference to general laws and principles and tends to emphasize what is external to or independent of the mind (objective) and incorporates a natural science model of the research process (David & Sutton, 2004). This makes it easier for a person with a natural or physical sciences background to relate to. This approach emphasises quantification in the collection and analysis of data. Data collection take place by using methods such as structured questionnaires and data is recorded in a numeric or some other standardised coding format. Data is expressed in numerical format and statistical techniques are usually used to assist with data interpretation. This approach is used when information needs to be generalised to a specific population and participants are usually selected using probability sampling techniques (although non-probability methods can be used depending on the characteristics of the target population).

Although in theory the qualitative phase of this project could be followed by a quantitative phase, for a number of reasons it was not done. A quantitative phase would be more resource intensive in terms of labour, time and cost and the incremental precision obtained in terms of generalisability would not warrant the additional investment. Due to the strong emotional component relating to the perceived impacts, respondents may intentionally magnify the intensity of the impacts or indicate all impacts are equally severe in an attempt to bias the results in their favour, which will reduce the utility of quantitative results as part of the primary research process.

3.6 Ethical issues

The most basic principle of research is that participants should not be harmed by participation in the research project. It is important that research not only does no harm, but also potentially contributes to the wellbeing of others. At times this might place a researcher in a difficult position – what is beneficial to one group may not be beneficial to another (Bless, Higson-Smith & Kagee, 2006). Furthermore, an individual has the autonomy to decide whether to participate in research or not. No person should be forced, either overtly or covertly, to participate in research. Other important principles include justice (based on the assumption that all people are equals), fidelity (keeping promises or agreements, specifically between the researcher and the participant) and respect for participants' rights and dignity. In addition to these overarching ethical principles, important ethical principles that should be met are informed consent, confidentiality, anonymity, and discontinuance. This is in line with international as well as national research practice such as the World Association for Market, Social and Opinion Researchers (ESOMAR) and Southern African Marketing Research Association (SAMRA) codes of conduct. The researcher has an ethical obligation to develop well-designed projects and execute them with care. Researchers are not allowed to change their data or observations and should report on technical shortcomings, failures, limits of the study, negative findings, and methodological constraints. The honest and accurate reporting of data is also an essential component of scientifically accurate and ethically legitimate research and conclusions should be supported by data.

4 Legislative and Policy Framework

Although there are no explicit acts referring directly to SIA, there are many acts and policies that require specific social outcomes that can be related to this project, and these are discussed in the section below.

4.1 The Constitution of the Republic of South Africa 1996

The current Constitution of the Republic of South Africa 1996 can be regarded as one of the most progressive constitutions in the world. Human rights are enshrined in the South African Constitution, which forms the basis of all the country's legislation. Chapter 2 consists of a Bill of Rights, which explicitly spells out the rights of every South African citizen. Human rights and dignity are fundamental to SIA and it recognises fundamental human rights and the prerogative to protect those rights as core values (Vanclay, 2003). The human rights relevant to the environmental management field that are safeguarded by the Constitution of the Republic of South Africa 1996 in the Bill of Rights, include:

- Right to a healthy environment;
- Right of access to land and to security of tenure; and
- Right to adequate housing and protection against evictions and demolitions.

The right to a protected biophysical environment, the promotion of social development and trans-generational equity is explicitly included in the Constitution of the Republic of South Africa 1996, which states:

"Everyone has the right -

1. To an environment that is not harmful to their health and wellbeing, and
2. To have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that:
    1. *Prevent pollution*
    2. *Promote conservation, and*

3. *Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development."*

When considering an environment that is not harmful to peoples' health and wellbeing, it is important to reflect on the interconnectedness of biophysical, economic, and social aspects. The impact of development on people, and the true cost of development, as well as the consideration of "who pays the price?" versus "who reaps the benefits?" cannot be ignored in a discussion about human rights and the environment.

The right to a generally satisfactory environment is increasingly seen as a human right in Africa (Du Plessis, 2011), and South Africa's environmental legislation supports this.

4.1.1 The National Environmental Management Act 107 of 1998

The National Environmental Management Act (NEMA) 107 of 1998 states that the State must respect, protect, promote, and fulfil the **social**, economic, and environmental rights of everyone and strive to meet the needs of previously disadvantaged communities. It states further that sustainable development requires the integration of **social**, economic, and environmental factors in the planning, evaluation, and implementation of decisions to ensure that development serves present and future generations.

Chapter 1 of NEMA contains a list of principles and states clearly that environmental management must place people and their needs at the forefront of its concern, and serve their physical, psychological, developmental, cultural, and social interests (NEMA, 1998). It states further that negative impacts on the environment and on peoples' environmental rights must be anticipated and prevented, and if they cannot be prevented, they should be minimised and remedied. It elaborates further on the equity of impacts, and the fact that vulnerable communities should be protected from negative environmental impacts. It refers to the principle that everyone should have equal access to environmental resources, benefits, and services to meet their basic human needs (NEMA, 1998). Therefore, there is a clear mandate for environmental and restorative justice in the act, something that must be considered in this project.

Another important aspect of NEMA is the principle of public participation. It states that people should be empowered to participate in the environmental governance processes, and that their capacity to do so should be developed if it does not exist. All decisions regarding the environment should take the needs, interest, and values of the public into account, including traditional and ordinary knowledge (NEMA, 1998). There are also specific environmental management acts that fall under NEMA, such as the National Environmental Management, Air Quality Act 39 of 2004 (NEM: AQA), and the National Environmental Management, Waste Act 59 of 2008 (NEM: WA). These acts require similar public participation processes to NEMA and the principles of NEMA also apply to them (Department of Environmental Affairs & Development Planning [DEA&DP], Provincial Government of the Western Cape, 2010).

Chapter 6 of NEMA elaborates on the public participation requirements. This is supplemented by the EIA regulations published in GN 982 of 4 December 2014, which contained requirements for public participation (GN 982 in GG 38282 of 4 December 2014). It provides requirements for the public participation, the minimum legal requirements for public participation processes, the generic steps of a public participation process, requirements for planning a public participation process and a description of the roles and responsibilities of the various role players. A compulsory Public Participation Guideline that was published in 2012 (GN 807 of 10 October 2012) in terms of section J of NEMA (NEMA, 1998) complements these requirements. According to the guidelines, public participation can be seen as one of the most important aspects of the environmental authorisation process. Public participation is the only requirement of the environmental impact assessment process for which exemption cannot be given unless no rights are affected by an application. This stems from the requirement in NEMA that people have a right to be informed about potential decisions that may affect them and that they must be given an opportunity to influence those decisions.

The principles of the National Environmental Management Act 107 of 1998 declare further that community wellbeing and empowerment must be promoted through environmental education, the raising of environmental awareness, sharing of environmental knowledge and experience and any other appropriate means. It states that the social, environmental, and economic impacts of activities, including disadvantages and benefits, must be considered,

assessed and evaluated, and decisions taken must be appropriate given the assessment and evaluation. NEMA 107 of 1998 recognises that the environment is held in public trust for the people, and therefore the beneficial use of environmental resources must serve the peoples' interest and protect the environment as the peoples' common heritage.

NEMA takes a holistic view of the environment, and promotes the consideration of social, economic, and biophysical factors to obtain sustainable development and achieve effective management of the biophysical environment.

4.1.2 The Mineral and Petroleum Resources Development Act 28 of 2002

The Mineral and Petroleum Resources Development Act (MPRDA) 28 of 2002 is the only environmental act that explicitly requires a social development output, in addition to a public participation process, in the form of a Social and Labour Plan (SLP). In the preamble to the Act it recognises the need to promote local and rural development and the social upliftment of communities affected by resource development. In Section 2 it states that some of the objectives of the act are:

- To substantially and meaningfully expand opportunities for historically disadvantaged persons, including women, to enter the mineral and petroleum industries and to benefit from the exploitation of the nations' mineral and petroleum resources;
- To promote economic growth and mineral and petroleum resources development in the Republic;
- To promote employment and advance the social and economic welfare of all South Africans, and
- To ensure that holders of mining and production rights contribute towards the socio-economic development of the areas in which they are operating.

The MPRDA acknowledges that mineral and petroleum resources are the common heritage of all the people of South Africa and that the State is the custodian thereof for the benefit of all. It states that the Minister of Mineral Resources must ensure the sustainable development of South Africa's mineral and petroleum resources within a framework of national

environmental policy, norms and standards while promoting economic and social development (MPRDA, 2002).

In Section 37 of the Mineral and Petroleum Resources Development Act 28 of 2002 it endorses the principles set out in Chapter 1 of the National Environmental Management Act 107 of 1998. In Section 39 of the MPRDA the act explicitly requires a social impact assessment as well as an environmental impact assessment when it states that applicants must:

"…investigate, assess, and evaluate the impact of his or her proposed prospecting or mining operations on:

(i) The environment;

(ii) The **socio-economic conditions of any person** who might be directly affected by the prospecting or mining operation…"

Section 3, Chapter 2, Part I, of the regulations (Government Notice 527, 23 April 2004) published under the MPRDA refers to the public participation process, which must be followed according to the Act. It includes advertising and an invitation to comment on the process.

Sections 40 to 46, Chapter 2, Part II, of the regulations published under the MPRDA deal with the Social and Labour Plan (SLP) requirements (Government Notice 527, 23 April 2004). The Department of Mineral Resources provided guidelines for the development of the SLP (Department of Mineral Resources, 2010). The guidelines specify the objectives of the SLP as:

- Promote economic growth and mineral and petroleum resources development in the Republic of South Africa;
- Promoting employment and advancing the social and economic welfare of all South Africans;
- Ensuring that holders of mining or production rights contribute towards the socio-economic development of the areas in which they are operating as well as the areas from which the majority of the workforce is sourced, and
- To utilise and expand the existing skills base for the empowerment of Historically Disadvantaged South Africans and to serve the community (Department of Mineral Resources, 2010).

The crux of this section is that the SLP requires applicants for mining and production rights to develop and implement comprehensive Human Resources Development Programmes including Employment Equity Plans, Local Economic Development Programmes, and processes to save jobs and manage downscaling and/or closure (MPRDA 28 of 2002). According to the regulations, the above programmes are aimed at promoting employment and advancement of the social and economic welfare of all South Africans whilst ensuring economic growth and socio-economic development. The management of downscaling and/or closure is aimed at minimising the impact of commodity cyclical volatility, economic turbulence and physical depletion of the mineral or production resources on individuals, regions, or local economies. All mines in South Africa are required to compile an SLP, and they must report compliance on a yearly basis (MPRDA, 2002). Compiling an SLP must be done in a participatory manner, and local economic development initiatives must be aligned with the municipal integrated development planning processes. An SLP is not a social impact management plan per se, although it does aim to manage some negative social impacts. The guideline is very clear about the fact that measures put in place for the mitigation of impacts cannot be seen as mine community development projects (Department of Mineral Resources, 2010).

4.1.3 The National Heritage Resources Act 25 of 1999

Although the National Heritage Resources Act (NHRA) 25 of 1999 is not an environmental act per se, it is relevant in the field of environmental management. The NHRA affirms that every generation has a moral responsibility to act as trustee of the national heritage for later generations and that the State is obliged to manage heritage resources in the interest of all South Africans. The general principles for heritage management in Chapter 5 of the Act state that in order to ensure that heritage resources are effectively managed, the skills and capacities of persons and communities involved in heritage resources management must be developed. The Act further elaborates on the fact that heritage resources form an important part of the history and beliefs of communities and must be managed in a way that acknowledges the right of affected communities to be consulted and to participate in their management.

The general principles (Chapter 5) state that the identification, assessment, and management of the heritage resources of South Africa must:

- Take account of all relevant cultural values and indigenous knowledge systems;
- Take account of material or cultural heritage value and involve the least possible alteration or loss of it;
- Promote the use and enjoyment of and access to heritage resources, in a way consistent with their cultural significance and conservation needs;
- Contribute to social and economic development, and
- Safeguard the options of present and future generations.

The National Heritage Resources Act 25 of 1999 therefore protects the cultural rights and heritage of the people of South Africa. It does not require explicit public participation or give any guidelines on how the public should participate. It does refer, like the National Environmental Management Act 107 of 1998 and the National Water Act 36 of 1998, to social and economic development. Public participation processes may be requested by the South African Heritage Resources Agency if it deems it necessary for a specific project.

4.1.4 Promotion of Administrative Justice Act 3 of 2000

The Bill of Rights in the Constitution of the Republic of South Africa 1996 states that everyone has the right to administrative action that is legally recognised, reasonable, and procedurally just. The Promotion of Administrative Justice Act (PAJA) 3 of 2000 gives effect to this right. The PAJA applies to all decisions of all State organisations exercising public power or performing a public function in terms of any legislation that negatively affects the rights of any person. The Act prescribes what procedures an organ of State must follow when it takes decisions. If an organ of State implements a decision that impacts on an individual or community without giving them an opportunity to comment, the final decision will be illegal and may be set aside. The Promotion of Administrative Justice Act 3 of 2000 also forces State organisations to explain and give reasons for the manner in which they have arrived at their decisions and, if social issues were involved, and how these issues were considered in the decision-making process.

The Promotion of Administrative Justice Act 3 of 2000 therefore protects the rights of communities and individuals to participate in decision-making processes, especially if these processes affect their daily lives.

4.1.5 Traditional and Khoi-San Leadership Act

The Traditional and Khoi-San Leadership Act 3 of 2019[3] aims:

- to provide for the recognition of traditional and Khoi-San communities, leadership positions and for the withdrawal of such recognition;
- to provide for the functions and roles of traditional and Khoi-San leaders;
- to provide for the recognition, establishment, functions, roles and administration of kingship or queenship councils, principal traditional councils, traditional councils, Khoi-San councils and traditional sub-councils, as well as the support to such councils;
- to provide for the establishment, composition and functioning of the National House of Traditional and Khoi-San Leaders;
- to provide for the establishment of provincial houses of traditional and Khoi-San leaders;
- to provide for the establishment and composition of local houses of traditional and Khoi-San leaders;
- to provide for the establishment and operation of the Commission on Khoi-San Matters;
- to provide for a code of conduct for members of the National House, provincial houses, local houses and all traditional and Khoi-San councils;
- to provide for regulatory powers of the Minister and Premiers;
- to provide for transitional arrangements;
- to amend certain Acts;
- to provide for the repeal of legislation; and
- to provide for matters connected therewith.

[3] In May 2023 Constitutional Court held that the process followed by Parliament and the provincial legislatures in the processing of the Traditional and Khoisan Leadership Bill was deficient, failed to attain meaningful public participation, and therefore rendered the Act unconstitutional and invalid. The declaration of invalidity is suspended for a period of 24 months to allow Parliament to re-enact the legislation in a manner that is consistent with the Constitution.

4.1.6 Protection, Promotion, Development and Management of Indigenous Knowledge Act 6 of 2019

The Protection, Promotion, Development and Management of Indigenous Knowledge Act 6 of 2019 intends:

- to provide for the protection, promotion, development and management of indigenous knowledge;
- to provide for the establishment and functions of the National Indigenous Knowledge Systems Office;
- to provide for the management of rights of indigenous knowledge communities;
- to provide for the establishment and functions of the Advisory Panel on indigenous knowledge;
- to provide for access and conditions of access to knowledge of indigenous communities;
- to provide for the recognition of prior learning;
- to provide for the facilitation and coordination of indigenous knowledge-based innovation; and
- to provide for matters incidental thereto.

4.1.7 Marine Living Resources Act 18 of 1998

The Marine Living Resources Act 18 of 1998 intends:

- to provide for the conservation of the marine ecosystem, the long-term sustainable utilisation of marine living resources and the orderly access to exploitation, utilisation, and protection of certain marine living resources; and
- for these purposes to provide for the exercise of control over marine living resources in a fair and equitable manner to the benefit of all the citizens of South Africa; and
- to provide for matters connected therewith.

4.2 Additional governance tools

Legislation is not the only tool that authorities can use to achieve sustainable development and social development outcomes. There are several tools, policies and strategic planning instruments that can contribute to this.

4.2.1 Integrated Development Plans

For the purpose of this project, Integrated Development Plan (IDP) documents of the following municipalities need to be considered:

4.2.1.1 Namakwa District Municipality

In its IDP the Namakwa District Municipality states that its strategic objectives are:

- Monitoring and support local municipalities to deliver basic services which include water, sanitation, housing, electricity and waste management;
- Support vulnerable groups in the district;
- Improve administrative and financial viability and capability;
- Promote and facilitate Local Economic Development (include tourism);
- Enhance good governance (include IGR) (IGR - intergovernmental relations);
- Promote and facilitate spatial transformation and sustainable urban development;
- To render municipal health services;
- To coordinate the disaster management and fire management services in the district; and
- Caring for the environment.

4.2.1.1.1 Richtersveld Local Municipality

The Richtersveld Local Municipality indicated in its IDP that its strategic goals/objectives are:

- For every household to have access to clean water, electricity, and sanitation;
- To treat all their residents with pride and dignity;
- To be an effective and efficient local government;
- To be an effective instrument of change within its community;
- To be a local government that is accountable with community driven development; and
- To be the gateway for local economic development and tourism in the north-western coast of the Northern Cape.

4.2.1.1.2 Nama Khoi Local Municipality

The key performance areas of the Nama-Khoi Local Municipality are:

- Basic services delivery;

- Municipal financial viability and management;
- Local economic development;
- Municipal transformation and institutional development; and
- Good governance and community participation.

4.2.1.1.3 Kamiesberg Local Municipality

The Kamiesberg Local Municipality identified its key performance areas in its IDP as:

- Service delivery – to provide and maintain superior decentralised customer services (water, sanitation, roads, storm water, waste management and electricity);
- Local economic development;
- Financial viability;
- Municipal transformation; and
- Good governance.

4.2.1.2 West Coast District Municipality

The West Coast District Municipality stated in its IDP that its objectives are to:

- Care for the social well-being, safety and health of all our communities;
- Promote regional economic growth and tourism;
- Coordinate and promote the development of bulk and essential services and transport infrastructure;
- Foster sound relationships with all stakeholders, especially local municipalities; and
- Maintain financial viability and good governance.

4.2.1.2.1 Matzikama Local Municipality

The Matizikana Local Municipality identified the following strategic objectives in its IDP:

- Provide municipal basic services to meet demands of growing population and development challenges;
- Maintain sufficient revenue resources to enable the municipality to meet its constitutional obligations;
- Coordinate, facilitate and stimulate sustainable economic development through strategy, policy and programme development;
- Reduce poverty levels as measured by SAMPI;

- Maintain sufficient organisation resources, enhance the involvement of the public in the development and decision-making processes and provide ethical and professional services to support the needs of the communities;
- Provide opportunities to officials and councillors for the development of professional and leadership skills and enhance employment equity in the organisation; and
- Develop and sustain our spatial, natural and built environment.

4.2.1.2.2 Cederberg Local Municipality

The Bergriver Local Municipality identified the following strategic goals:

- Strengthen financial sustainability and further enhancing good governance;
- Sustainable service delivery;
- Facilitate an enabling environment for economic growth to alleviate poverty;
- Promote safe, healthy, educated and integrated communities; and
- A sustainable, inclusive and integrated living environment.

4.2.1.2.3 Bergrivier Local Municipality

The Cederberg Local Municipality identified the following strategic objectives:

- Improve and sustain basic service delivery and infrastructure development;
- Financial viability and economically sustainability;
- Good governance, community development and public participation;
- Facilitate, expand and nurture sustainable economic growth and eradicate poverty;
- Enable a resilient, sustainable, quality and inclusive living environment and human settlements i.e. housing development and informal settlement upgrade;
- To facilitate social cohesion, safe and healthy communities; and
- Development and transformation of the institution to provide a people-centred human resources and administrative services to citizens, staff and council.

4.2.1.2.4 Saldanha Bay Local Municipality

The Saldanha Bay Local Municipality identified the following strategic actions to create additional growth:

- Retaining large existing exporting businesses;
- Promote Aquaculture-, Fishing-, and Food processing sectors;
- Tourism growth;

- Attract new industrial investors by creating a more enabling environment;
- Maximise the competitive advantages for ports;
- Support local SME to access more opportunities; and
- Availability of credible vocational skills development and tertiary education.

4.2.1.2.5 Swartland Local Municipality

The strategic goals of the Swartland Local Municipality are:

- Improved quality of life for citizens;
- Inclusive economic growth;
- Quality and sustainable living environment;
- Caring, competent and responsive institutions, organisations, and business; and
- Sufficient, affordable and well-run services.

4.2.1.3 City of Cape Town Metropolitan Municipality

The City of Cape Town has sixteen objectives linked to its priorities and foundations:

- Economic growth
    - Increased jobs and investment in the Cape Town economy.
- Basic services
    - Improved access to quality and reliable basic services;
    - End load-shedding in Cape Town over time; and
    - Well-managed and modernised infrastructure to support economic growth.
- Safety
    - Effective law enforcement to make communities safer; and
    - Strengthen partnerships for safer communities.
- Housing
    - Increased supply of affordable, well-located homes; amd
    - Safer, better-quality homes in informal settlements and backyards over time.
- Public space, environment and amenities
    - Healthy and sustainable environment;
    - Clean and healthy waterways and beaches; and

- Quality and safe parks and recreational facilities supported by community partnerships.

- Transport
  - A sustainable transport system that is integrated, efficient and provides safe and affordable options for all; and
  - Safe and quality roads for pedestrians, cyclists and vehicles.
- A resilient city
- A more spatial integrate and inclusive city
- A capable and collaborative city government.

4.2.2 Provincial Growth and Development Strategies

The Provincial Growth and Development Strategies of the Northern Cape and Western Cape Provinces need to be considered.

4.2.2.1 Northern Cape Strategic Plan 2020-2035

The four drivers of the Northern Cape Provincial Growth and Development Plan:

- Economic transformation, growth and development

  To ensure economic growth and development that will lead to job creation and radical economic transformation for the people of the Northern Cape Province, ten economic drivers or development paths have been identified:

  - Agriculture and agro-processing;
  - Mining and mineral beneficiation;
  - Tourism market development;
  - Rural development and land reform;
  - Development of energy sector;
  - Manufacturing and trade;
  - Competitive infrastructure development;
  - Employment and skills development;
  - Innovation and knowledge economy; and
  - Marine economy.
- Social transformation and human welfare

To sustainably address the social injustices and inequalities in the province, social transformation must be accelerated and deepened towards human development and welfare. The following six drivers have been identified:

- Quality basic education;
- Quality health care;
- Social cohesion and community participation;
- Social protection and safety;
- Sustainable human developments; and
- Employment and skills development

- Environmental sustainability and resilience

  The Northern Cape Province has an abundance of natural resources and environmental assets. While these present a wide range of economic opportunities, a concerted effort must be made to ensure that these are protected and enhance to support the developmental objectives of the province. As the province is an arid region, it must be ensured that enough is done to mitigate the real threat of climate change.

- Effective, efficient, and accountable governance

  A capable and accountable government based on strong inter-governmental cooperation and participatory governance with civil society will be better positioned and capable to perform seamless services based on the needs of those on whose behalf they govern. Three drivers have been identified to facilitate effective, efficient, and accountable governance:

  - Developmental and democratic state;
  - Effective local government; and
  - International relations.

4.2.2.2 Western Cape Provincial Strategic Plan 2019-2024

Vision has five strategic priorities with the following problem areas and focus areas:

- Safe and cohesive communities – a place where residents and visitors feel safe
  - Problem areas;

        - Violence and violent crime;
        - Police capacity and public trust; and
        - Cohesive communities.
    - Focus areas
        - Enhanced capacity and effectiveness of policing and law enforcement;
        - Strengthened youth-at-risk referral pathways and child- and family centred initiatives to reduce violence; and
        - Increased social cohesion and safety in public places.
- Growth and jobs – an enabling environment for the private sector and markets to drive growth and create jobs
    - Problem areas
        - Weak economic performance persists;
        - Unemployment persists; and
        - Climate change impacts and resource pressures.
    - Focus areas
        - Increasing investment;
        - Building and maintaining infrastructure;
        - Growing the economy through export growth;
        - Creating opportunities for job creation through skills development; and
        - Creating an enabling environment for economic growth through resource resilience.
- Empowering people -residents have opportunities to shape their lives and the lives of others, to ensure a meaningful and dignified life
    - Problem areas
        - Children and families live in unhealthy, violent, neglectful and dysfunctional environments that impede proper development;
        - Children have unequal access to quality holistic education and extended learning opportunities, which limits post-schooling success;
        - Youth engage in unhealthy and risky behaviours, have few educational and economic opportunities, and become disconnected from productive society; and
        - Health outcomes are uneven between rich and poor and, despite successes in areas like HIV treatment and sexual and reproductive

health, there is an inability to fulfil the growing demand for health services.

- Focus areas
  - Children and families;
  - Education and learning;
  - Youth and skills; and
  - Health and wellness.

- Mobility and spatial transformation – residents live in well-connected, vibrant, and sustainable communities and move around efficiently on safe, affordable, low-carbon public transport
  - Problem areas
    - Poor communities far from social and economic opportunities;
    - Inadequate public transport; and
    - Infrastructure backlogs and challenges.
  - Focus areas
    - Create better linkages between places through safe, efficient, and affordable public transport;
    - Inclusive places of opportunities;
    - More opportunities for people to live in better locations; and
    - Improving the places where people live.

- Innovation and culture – government services are delivered to the people in an accessible, innovative, and citizen-centric way
  - Problem areas
    - Inward-focused organisational culture;
    - Western Cape Government innovation exists, but is not fully embedded;
    - Limited integration across the spheres of government and with external partners;
    - Good governance is primarily driven by compliance processes; and
    - Talent and staff development is not responsive to the changing world of work.

- Focus areas
  - Citizen-centric culture;
  - Innovation for impact;
  - Integrated service delivery;
  - Governance transformation; and
  - Talent and staff development.

4.2.3 National Development Plan

On 11 November 2011 the National Planning Commission released the National Development Plan: Vision for 2030 (NPC, 2012) for South Africa and it was adopted as government policy in August 2012. The National Development Plan (NDP) was undertaken to envision what South Africa should look like in 2030 and what action steps should be taken to achieve this (RSA, 2013). The aim of the NDP is to eliminate poverty and reduce inequality by 2030. The report identifies nine central challenges to development in South Africa:

1. Too few people work.
2. The standard of education for most black learners is of poor quality.
3. Infrastructure is poorly located, under-maintained and insufficient to foster higher growth.
4. Spatial patterns exclude the poor from the fruits of development.
5. The economy is overly and unsustainably resource intensive.
6. A widespread disease burden is compounded by a failing public health system.
7. Public services are uneven and often of poor quality.
8. Corruption is widespread.
9. South Africa remains a divided society (NPC, 2012).

The plan focuses on creating an enabling environment for development and wants to shift from a paradigm of entitlement to a paradigm of development that promotes the

development of capabilities, the creation of opportunities and the involvement of all citizens (NPC, 2012). The National Development Plan (NPC, 2012) wants to achieve the following:

1. An economy that will create more jobs.
2. Improving infrastructure.
3. Transition to a low-carbon economy.
4. An inclusive and integrated rural economy.
5. Reversing the spatial effects of apartheid.
6. Improving the quality of education, training, and innovation.
7. Quality healthcare for all.
8. Social protection.
9. Building safer communities.
10. Reforming the public service.
11. Fighting corruption.
12. Transforming society and uniting the country.

Each of the points above is a chapter in the plan and contains a range of targets and proposals. Some are general statements of policy intent, while others are specific policy proposals, actions or processes that should take place (NPC, 2012).

4.2.4 Sustainable Development Goals

All 189 Members States of the United Nations, including South Africa, adopted the United Nations Millennium Declaration in September 2000 (UN, 2000). The commitments made by the Millennium Declaration are known as the Millennium Development Goals (MDGs), and 2015 was targeted as the year to achieve these goals. The United Nations Open Working Group of the General Assembly identified seventeen sustainable development goals (Figure

2), built on the foundation of the MDGs as the next global development target (UN, 2014). The sustainable development goals include aspects such as ending poverty, addressing food security, promoting health, wellbeing and education, gender equality, water and sanitation, economic growth and employment creation, sustainable infrastructure, reducing inequality, creating sustainable cities and human settlements, and addressing challenges in the physical environment such as climate change and environmental resources (UN, 2014). These aspects are included in the NPD, and it can therefore be assumed that South Africa's development path is aligned with the international development agenda.

Figure 2: Sustainable Development Goals (Source: www.un.org)

4.3 National and international standards

National and international industry standards aimed at sustainable development and social justice specifically have become abundant in the last decade. Many industries use these standards as indicators for best practice. The discussion below highlights only a few of these standards.

4.3.1 ISO 26000:2010/SANS 26000:2010

Performance standards have long been a voluntary tool used by industry to achieve certain outcomes. The first standard on social responsibility, ISO 26000 was published on 1 November 2010 (ISO, 2010). It was developed using a multi-stakeholder approach involving experts from more than 90 countries and 40 international or broadly based regional organisations involved in different aspects of social responsibility (ISO, 2010).

The South African Bureau of Standards (SABS), a statutory body that is mandated to develop, promote, and maintain South African National Standards (SABS, [sa]) adopted the ISO 26000 Standard as a South African National Standard (SANS) 26000:2010.

Social responsibility is defined in the standard as the responsibility of an organisation for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that contributes to sustainable development, including health and welfare of society; takes into account the expectations of the stakeholders; complies with applicable law and is consistent with international behaviour norms, and is integrated throughout the organisation and practiced in its relationships (ISO, 2010).

The document identifies seven principles for social responsibility and seven core subjects that should be addressed by organisations. The seven principles for social responsibility are accountability, transparency, ethical behaviour, respect for stakeholder interests, respect for the rule of law, respect for international norms of behaviour and respect for human rights (ISO, 2010). The core subjects that should be addressed include organisational governance, human rights, labour practices, environment, fair operating practices, consumer issues and community involvement and development (ISO, 2010). Economic aspects, health and safety and the value chain are dealt with throughout the seven core subjects, and gender issues are considered.

ISO 26000 is a good introduction to what social responsibility is and what measures should be taken to move towards being a more socially responsible company. It deals with equity issues and can encourage social development initiatives by companies through activities such as social investment projects, employment creation, skills development, and income creation. Any company operating in area where people are affected by their activities has a social

responsibility towards the affected community, and as such it would be in the interest of project to address the core subjects as suggested by ISO 26000:2010.

4.3.2 International Social Performance Standards/Initiatives

There is a profusion of global initiatives aiming at assisting companies to make their operations more sustainable. Human rights, environmental protection and social justice are gaining support from industry. The social agenda forms an important part of this trend. Only a few relevant initiatives will be mentioned in this section.

The Global Reporting Initiative (GRI) is a leading organisation in the sustainability field that promotes sustainability reporting as a way for companies to become more sustainable and contribute to sustainable development. A company publishes a sustainability report to report the economic, social and environmental impacts of its everyday activities, present its values and governance model and explain the link between its strategy and its commitment to sustainable development (GRI, [sa]). The GRI have strategic partnerships with the United Nations Environment Programme, the United Nations Global Compact, the Organisation for Economic Co-operation and Development and the International Organisation for Standardisation, amongst others (GRI, [sa]). The social category relates to the impact of the company on the social systems in which it operates. The social category consists of four subcategories namely labour practices and decent work; human rights; society; and product responsibility. Each of the categories is unpacked by using a number of aspects that should be considered (GRI, [sa]). GRI Focal Points are national offices that drive the initiatives in particular countries and regions. On 26 February 2013 the GRI Focal Point South Africa was launched. South Africa is one of the countries with the largest number of GRI reporters in the world. The GRI Focal Point South Africa aims to work with multi-national companies to expand and share best practices across the continent (GRI, [sa]).

Many of the multi-lateral funding agencies such as the World Bank have social standards that they must uphold. The most frequently used in the EIA industry is the International Finance Corporation's (IFC) principles (IFC, 2012). The IFC is a member of the World Bank group, and as a part of their sustainability framework they created performance standards on

environmental and social sustainability (IFC, 2012). The standards relevant to the social environment are the following:

1. Environmental and Social Standard 1. Assessment and Management of Environmental and Social Risks and Impacts
2. Environmental and Social Standard 2: Labour and Working Conditions
3. Environmental and Social Standard 4: Community Health and Safety
4. Environmental and Social Standard 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement
5. Environmental and Social Standard 8: Cultural Heritage
6. Environmental and Social Standard 10. Stakeholder Engagement and Information Disclosure (World Bank, 2016)

Issues such as gender, climate change, water and human rights are addressed across the standards. A guidance note accompanies each standard (IFC, 2012:4). Environmental and social risks and impacts must be managed by using an Environmental and Social Management System. The standard applies to all the activities funded by the IFC for the duration of the loan period. A number of private banks adopted most of the IFC standards in an initiative known as the Equator Principles (Esteves, Franks & Vanclay, 2012).

4.3.3 International Principles for SIA

The practice of SIA is guided by a set of *International Principles* that defines the core values, fundamental principles for development and principles specific to SIA practice (Vanclay, 2003). When the *International Principles* are considered, it is clear that SIA aspires to more than just assessing the impact of development on people and includes sustainable outcomes. The following specific principles refer to these sustainable outcomes (Vanclay, 2003):

1. Development projects should be broadly acceptable to the members of those communities likely to benefit from, or be affected by, the planned intervention.

2. The primary focus of all developments should be positive outcomes, such as capacity building, empowerment, and the realisation of human and social capital.

3. The term "environment" should be defined broadly to include social and human dimensions, and in such inclusion, care must be taken to ensure that adequate attention is given to the realm of the social.

4. Equity considerations should be a fundamental element of impact assessment and of development planning.

5. There should be a focus on socially sustainable development, with the SIA contributing to the determination of best development alternative(s) – SIA (and EIA) has more to offer than just being an arbiter between economic benefit and social cost.

6. In all planned interventions and their assessments, avenues should be developed to build the social and human capital of local communities and to strengthen democratic processes.

7. Local knowledge, experience and acknowledgement of different cultural values should be incorporated in any assessment.

8. Development processes that infringe the human rights of any section of society should not be accepted.

In addition to the *International Principles*, the international SIA community produced a document titled: *Social Impact Assessment: Guidance for assessing and managing the social impacts of projects* (Vanclay, Esteves, Aucamp & Franks, 2015) in April 2015. The purpose of this document is to provide advice to various stakeholders (including proponents) about good practice SIA and social impact management (Vanclay et al., 2015). This document aspires to provide a much-needed benchmark for SIA practice across the globe.

4.4 Human Rights

Core human rights principles — participation, accountability and transparency, non-discrimination, empowerment, and linkage to the international human rights framework — align in spirit with the social impact assessment principles, therefore it is necessary to adopt a human rights-based approach to SIA. The adoption of the United Nations Guiding Principles

on Business and Human Rights (UNGP) in 2011 confirmed the corporate responsibility to respect human rights (Vanclay et al, 2015). The Applicants can only mitigate and manage human rights infringements if it is aware of the potential for these impacts to take place, and the associated risks. Many social impacts can be understood in human rights terms. This includes recognising project-affected individuals and communities as human rights-holders with legal entitlements, including the right of legal redress for impacts on their human rights. Thus, when a project creates social impacts, it may also be in breach of its responsibility to respect human rights (Vanclay et al, 2015). Protection of an individual's rights is embedded in a range of international and national principles, law, conventions, guidelines, and practices. Human rights are a complex concept, but the United Nations (1987) provides a general definition:

> *"…those rights, which are inherent in our nature and without which we cannot live as human beings. Human rights and fundamental freedoms allow us to fully develop and use our human qualities, our intelligence, our talents, and our conscience and to satisfy our spiritual and other needs. Human rights are based on mankind's increasing demand for a life in which the inherent dignity and worth of each human being will receive respect and protection."*

Human rights are enshrined in the South African Constitution (1996), which forms the basis of all the country's legislation. Chapter 2 consists of a Bill of Rights, which explicitly spells out the rights of every South African citizen.

Human rights cannot be considered without considering environmental justice. Hornberg and Pauli (2007) define environmental injustice as an uneven distribution of environmental quality between different social groups and relate decreasing socio-economic status to an increasing burden of environmental hazards. Environmental justice acknowledges that some groups within the population face a larger risk from exposure to environmental hazards than others (Ikeme, 2003). The communities on the West Coast of South Africa are exposed to multiple sources of potential environmental hazards, such as mines (with significant legacy issues), commercial agriculture, and failed governance leading to lack of sanitation and other services. Being vulnerable communities, the people does not have the resources to protect themselves or move away from the area, mainly due to socio-economic reasons.

The United Nations Committee on the Rights of the Child has explicitly affirmed children's right to a clean, healthy, and sustainable environment (UN Committee on the Rights of the Child General Comment No.26). This includes the right to social security and a decent standard of living (Articles 26 and 27) which states that governments should make sure that children do not live in poverty and unsafe conditions. Many children in the project affected communities live in poverty that can be attributed to the current socioeconomic reality that many South Africans face. The intersection of children's rights with economic development and climate impacts involves a complex balance. On one hand, economic development is crucial for improving living standards, healthcare, education, and overall well-being, which directly benefits children. On the other hand, unchecked economic growth can exacerbate climate change, which poses significant risks to children's rights, health, and future livelihoods. Should the project move beyond exploration, this will be a critical aspect to consider.

Acknowledging that potential human rights impacts and environmental justice issues are possible in the project area will assist the Applicants with mitigating and managing these issues, and to avoid potential pitfalls. The mitigation measures suggested as part of the impact management strategy will include measures to address potential human rights impacts and environmental injustice.

4.5 Social licence to operate

Social licence to operate is a popular expression to imply that the acceptance of the community is also necessary for a project to be successful (Vanclay et al.,2015). In 2003 Pierre Lassonde drew attention to the observation that "*Without local community support, your project is going nowhere."* He described social license as *"…the acceptance and belief by society, and specifically local communities, in the value creation of activities"*. Social licence cannot be obtained by going to a government ministry and making an application or simply paying a fee. It requires far more than money to truly become part of the communities in which a company operates (Lassonde 2003). A primary objective of gaining a social license is to minimize project risk. *"Successful operations require the support of the communities in which they operate now, and in the future, to ensure continued access to land and resources"* (Render 2005). The social license to operate can be further described as the degree of match

between stakeholders' individual expectations of corporate behaviour and companies' actual behaviour.

Earning a social licence to operate starts in the planning phase of any given project. First impressions are long lasting, and the Applicants must recognize that community opinion will be conditioned by previous experience, knowledge gained from elsewhere and the approach taken by the company. Conflict can arise very quickly if there is a failure to respect local customs, give notice of actions, address community concerns and so on. Knowledge of the community and on-going communications are prerequisites for good relations. Although the Applicants technically does not need the permission or approval of the community to continue with the expansion, there is significant risks associated with continuing with exploration activities without a social licence to operate. These risks include social unrest, sabotage, and damage to the corporate image of the Applicants.

5 Receiving environment

According to the National Environmental Management Act (NEMA, 1998) environment refers to the surroundings in which humans exist. When viewing the environment from a socio-economic perspective the question can be asked what exactly the social environment is. Different definitions for social environment exist, but a clear and comprehensive definition that is widely accepted remains elusive. Barnett & Casper (2001) offers the following definition of human social environment:

> *"Human social environments encompass the immediate physical surroundings, social relationships, and cultural milieus within which defined groups of people function and interact. Components of the social environment include built infrastructure; industrial and occupational structure; labour markets; social and economic processes; wealth; social, human, and health services; power relations; government; race relations; social inequality; cultural practices; the arts; religious institutions and practices; and beliefs about place and community. The social environment subsumes many aspects of the physical environment, given that contemporary landscapes, water resources, and other natural resources have been at least partially configured by human social processes. Embedded within contemporary social environments are historical social and power relations that have become institutionalized over time. Social environments can be experienced at multiple scales, often simultaneously, including households, kin networks, neighbourhoods, towns and cities, and regions. Social environments are dynamic and change over time as the result of both internal and external forces. There are relationships of dependency among the social environments of different local areas, because these areas are connected through larger regional, national, and international social and economic processes and power relations."*

Environment-behaviour relationships are interrelationships (Bell, Fisher, Baum & Greene, 1996). The environment influences and constrains the behaviour of people, but behaviour also leads to changes in the environment. The impacts of a project on people can only be truly understood if their environmental context is understood. The baseline description of the social environment will include a description of the area within a provincial, district and local

context that will focus on the identity and history of the area as well as a description of the population of the area based on a number of demographic, social and economic variables.

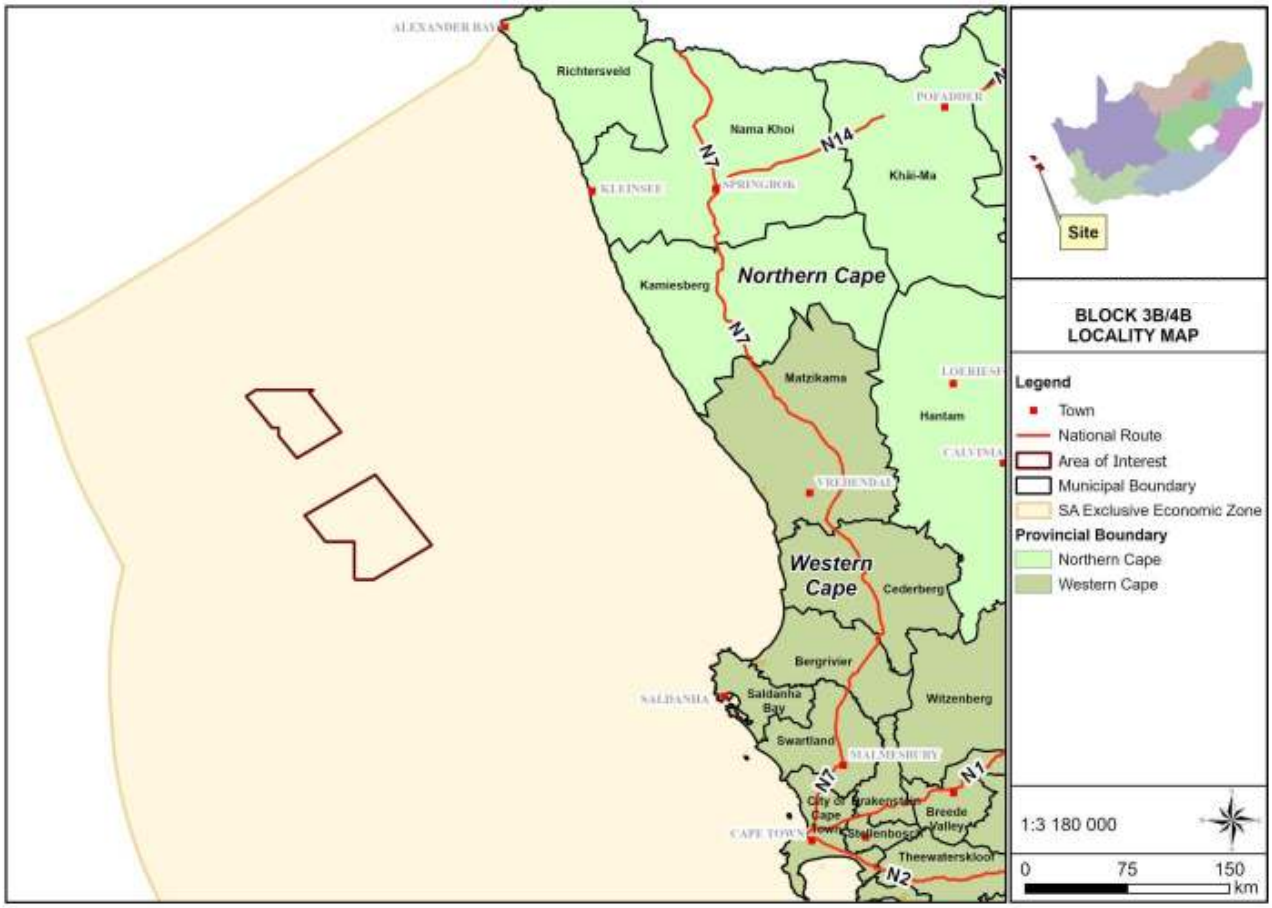
5.1 Description of the area

The proposed project area is located on the edge of the South African exclusive economic zone in the Atlantic Ocean. The people potentially affected by the proposed project are those living in the areas adjacent to the ocean whose activities could potentially be affected. The following areas are included in the baseline description of the social environment:

- Northern Cape Province
    - Namakwa District Municipality
        - Richtersveld Local Municipality (Wards 2, 3, 4);
        - Nama Khoi Local Municipality (Ward 8); and
        - Kamiesberg Local Municipality (Wards 1, 2).
- Western Cape Province
    - West Coast District Municipality
        - Matzikama Local Municipality (Wards 2, 5, 8);
        - Cederberg Local Municipality (Ward 5);
        - Bergrivier Local Municipality (Wards 6, 7);
        - Saldanha Bay Local Municipality (Wards 1, 3, 5, 6, 11, 12, 14); and
        - Swartland Local Municipality (Ward 5).
    - City of Cape Town Metropolitan Municipality (Wards 4, 23, 29, 32, 54, 55, 74, 107, 113, 115)

Figure 3 shows the location of the proposed project area in relation to these municipal areas.

Figure 3: Location of the proposed project area.



5.1.1 Northern Cape Province

The Northern Cape Province is South Africa's largest province. It takes up almost a third of the country and covers an area of 372 889 km^2 (www.municipalities.co.za). It is bordered by the provinces of North West, Free State, Eastern Cape and Western Cape as well as the countries of Namibia and Botswana and the Atlantic Ocean. It consists of the Frances Baard, John Taolo Gaetsewe, Namakwa, Pixley Ka Seme and ZF Mgcawu District Municipalities.

The capital of the province is Kimberley and other towns in the province include Springbok, Kuruman, De Aar, Sutherland, Alexander Bay, Port Nolloth, Kathu, Okiep, Springbok, Aggeneys, Upington, Kakamas, Keimoes and Warrenton.

The economy of the province relies mainly on mining and agriculture. Commodities being mined include iron ore, copper, asbestos, manganese, fluorspar, semi-precious stones, and marble. Alluvial diamonds are being extracted from the beaches and sea in the area around Alexander Bay and Port Nolloth. Agricultural products include sheep, wheat, fruit, grapes,

wheat, peanuts, maize, and cotton. The province is known for its dried fruit, wine, and karakul pelt.

The spring-flowers in Namakwaland is a popular tourist attraction. The province also houses the southern hemisphere's largest astronomical observatory at Sutherland.

5.1.1.1 Namakwa District Municipality

The Namakwa District Municipality is the largest district municipality in the province and covers an area of 126 836 km^2 (www.municipalities.co.za). It is bordered by the ZF Mgcawu Local Municipality, the Cape Winelands, West Coast, Pixley Ka Seme and Central Karoo District Municipalities, the country of Namibia and the Atlantic Ocean. It is the largest district in the province, making up almost a third of the province.

The district consists of six local municipalities, namely the Hantam, Kamiesberg, Karoo Hoogland, Khai-Ma, Nama Khoi, and Richtersveld Local municipalities. The capital of the province is Springbok and other towns include Aggeneys, Alexander Bay, Brandvlei, Bulletrap, Calvinia, Carolusberg, Concordia, Eksteensfontein, Frasersburg, Garies, Hondeklip Bay, Kamieskroon, Kleinzee, Koingnaas, Komaggas, Kuboes, Leliefontein/Kamiesberg, Loeriesfontein, Middelpos, Nababeep, Nieuwoudtville, O'Kiep, Onderste Doorns, Pella, Pofadder, Port Nolloth, Richtersveld, Sanddrift, Springbok, Steinkopf, Sutherland, and Williston.

The main economic sectors are tourism and agriculture.

5.1.1.1.1 Richtersveld Local Municipality

The Richtersveld municipality is the smallest municipality in the district and covers an area of 9 608 km^2 (www.municipalities.co.za). The municipality borders the Atlantic Ocean and the main towns are Alexander Bay, Eksteensfontein, Kuboes, Port Nolloth, Richtersveld and Sanddrift. Port Nolloth is the main economic centre of the municipality.The main economic sectors are mining, agriculture, fishing and tourism0 Richtersveld Local Municipality IDP 2022/2027).

The main challenges that municipality faces relate to infrastructure, and socio-economic, spatial and housing issues, as well as issues relative to social facilities and services. The

Richtersveld Municipal area is earmarked for a massive harbour development at Boegoebaai (about 60 km north of Port Nolloth and 20 km south of the border between Namibia and South Africa). This project is currently in its initial phase, and it is envisaged that this development will serve as an enabler of further development in the Northern Cape (Namakwa District Municipality IDP 2022-2027).

The Boegoebaai port is closely linked to the Northern Cape Green Hydrogen Strategy which was launched to the global community at the COP26 summit in Glasgow in November 2021 (www.globalafricanetwork.com). Green hydrogen refers to the production of hydrogen using renewable energy sources (www.un.org). Black/brown hydrogen is produced using coal and grey/blue hydrogen is derived from methane. Being an energy carrier, green hydrogen would act like a battery that allows the storage of excess energy created by renewable sources and would reduce the intermittency of renewables that cannot generate power all hours of the day, ensuring a sufficient and continuous supply of power for the grid.

5.1.1.1.2 Nama Khoi Local Municipality

The Nama Khoi Local Municipality covers an area of 17 990 km^2 (www.municipalities.co.za). It is home to Nama, Khoe and San people who have occupied the area for hundreds of years. The municipality borders the Atlantic Ocean, and the main towns are Bulletrap, Carolusberg, Concordia, Kleinzee, Komaggas, Nababeep, O'Kiep, Springbok, Steinkopf. The main economic activities are mining and tourism, but there are also some government departments. This region is known as the land of the Nama people.

5.1.1.1.3 Kamiesberg Local Municipality

The Kamiesberg Local Municipality covers an area of 14 208 km^2 (www.municipalities.co.za). The municipality borders the Atlantic Ocean and the main towns are Garies, Hondeklip Bay, Kamieskroon, Koingnaas, and Leliefontein/Kamiesberg. Hondeklip Bay has a harbor that serves fishing and diamond boats (Namakwa District Municipality IDP 2022-2027). It is also a mariculture centre and popular with tourists for scenic drives and 4x4 routes. Garies and Kamieskroon are known for wildflowers in spring, while Koingnaas is a mining town for alluvial diamonds.

5.1.2 Western Cape Province

The Western Cape Province is located on the southern tip of Africa between the Atlantic and Indian Oceans and is bordered by the Northern Cape and Eastern Cape Provinces. It covers an area of 129 462 km^2 (www.municipalities.co.za). The province is divided into one metropolitan municipality and five district municipalities. The capital of the province is the city of Cape Town and other major cities and towns include George, Knysna, Paarl, Swellendam, Oudtshoorn, Stellenbosch, Worcester, Mossel Bay and Strand.

The province has a well-established industrial and business base. Main economic activities include finance, real estate, ICT, retail, and tourism. Fishing is the most important industry along the west coast and sheep farming in the Karoo. In terms of agriculture main produce include grapes, fruit, vegetables, and wheat. A number of vineyards are located in the Western Cape Province.

5.1.2.1 West Coast District Municipality

The West Coast District Municipality covers an area of 31 118 km^2 (www.municipalities.co.za) and is bordered by the Namakwa and Cape Winelands District Municipalities, the City of Cape Town, and the Atlantic Ocean. The municipality consists of five local municipalities, namely the Swartland, Bergrivier, Matzikama, Cederberg and Saldanha Bay Local Municipalities.

The capital of the district is Moorreesburg and other main towns include Abbotsdale, Aurora, Bitterfontein, Chatsworth, Citrusdal, Clanwilliam, Darling, Doring Bay, Ebenhaezer, Eendekuil, Elands Bay, Graafwater, Grotto Bay, Hopefield, Jacobs Bay, Kalbaskraal, Klawer, Kliprand, Koekenaa, Koringberg, Lamberts Bay, Langebaan, Leipoldtville, Lutzville, Malmesbury, Molsvlei, Moorreesburg, Nuwerus, Paternoster, Piketberg, Porterville, Putsekloof, Redelinghuys, Riebeeck Kasteel, Riebeeck West, Rietpoort, Riverlands, Saldanha, St Helena Bay, Stofkraal, Strandfontein, Vanrhynsdorp, Velddrif, Vredenburg, Vredendal, Wupperthal, and Yzerfontein.

Despite lively economic activity in the Swartland, Saldanha and Bergrivier areas, large parts of the district remain impoverished. The district has the second lowest GDPR in the Western Cape Province and income inequality has worsened over the years (West Coast District Municipality IDP 2022-2027). The economic activities are mainly driven by activities within

the manufacturing; agriculture, forestry, and fishing; as well as wholesale and retail trade sector. The recent drought has had a significant impact on the agriculture, forestry, and fishery sectors within the district.

5.1.2.1.1 Matzikama Local Municipality

The Matzikama Local Municipality borders the Northern Cape Province and the Atlantic Ocean. It is the largest of the five municipalities in the district, making up almost half of the district. It covers an area of 12 981 km^2 (www.municipalities.co.za). There are 18 towns and villages in the municipal area with most of the population being concentrated along the Olifants River and its canal system. The main towns and villages include Bitterfontein, Doring Bay, Ebenhaezer, Klawer, Kliprand, Koekenaa, Lutzville, Molsvlei, Nuwerus, Putsekloof, Rietpoort, Stofkraal, Strandfontein, Vanrhynsdorp,aand Vredendal.

The agriculture, forestry and fishery sector was the main driver of the municipality's economy, followed by the wholesale and retail trade, catering and accommodation sector (Matzikama Local Municipality IDP, May 2022). The municipality is under severe strain with regards to coastal resource use (mining pressure, marine living resources), exploitation of estuarine resources and coastal vulnerabilities (illegal off-road vehicles, illegal camping, and coastal erosion). Due to the dwindling fishing stocks the capture fisheries industry closed down more than 10 years ago and the likeliness of it being restored to its original form is unlikely. The only remaining activity of this industry is subsistence and small-scale fishing.

Operation Phakisa – Oceans Economy forms part of the Matzikama Coastal Management Plan, also in terms of the socio-economic development of the coastal zones (Matzikama Local Municipality IDP, May 2022). Operation Phakisa – Oceans Economy was launched in July 2014 as a priority programme of the South African Government with the aim to considerably grow the Ocean Economy's contribution to the country's GDP by 2033. It is a results-driven approach that involves clear plans and targets, ongoing monitoring of progress and making these results public. It focuses on bringing key stakeholders from the public and private sectors, academia as well as civil society organisations together to collaborate in (www.dffe.gov.za):

- Detailed problem analysis;
- Priority setting;

- Intervention planning; and
- Delivery.

The project focuses on six growth areas, namely:

- Marine transport and manufacturing;
- Offshore oil and gas exploration;
- Aquaculture;
- Marine protection services and ocean governance;
- Small harbours; and
- Marine tourism.

The six growth areas are supported by two enablers, namely:

- Skills and capacity building; and
- Research, technology and innovation.

5.1.2.1.2 Cederberg Local Municipality

The Cederberg Local Municipality covers an area of 8 007 km^2 (www.municipalities.co.za). It is bordered by the Atlantic Ocean and the Cederberg Mountains and is located on the Cape-Namibia corridor. The main towns in the area include Citrusdal, Clanwilliam, Elands Bay, Graafwater, Lamberts Bay, Leipoldtville, and Wupperthal.

The economic activities in the Cederberg Local Municipality are dominated by agriculture and fishing, manufacturing, wholesale and retail trade, catering and accommodation, and transport, storage and accommodation (Cederberg Local Municipality IDP 2022-23). The area consists of a mix of sparsely and densely populated towns with Clanwilliam and Citrusdal serving as the main agricultural centres. The area is characterised by high levels of unemployment, poverty and social grant dependence. The road network is diverse with national, trunk, main and divisional roads of varying quality.

5.1.2.1.3 Bergrivier Local Municipality

The Bergrivier Local Municipality covers an area of 4 407 km^2 (www.municipalities.co.za). The main towns in the area include Aurora, Eendekuil, Piketberg, Porterville, Redelinghuys, and Velddrif. The agriculture sector is the largest employer in the municipal area with a contribution of 50.4% to total employment (Bergrivier Local Municipality IDP, May 2022). The four pillars for economic development in the municipal area are agriculture and agro processing; tourism; manufacturing; and the development of small and medium enterprises.

5.1.2.1.4 Saldanha Bay Local Municipality

The Saldanha Bay Local Municipality is the smallest of the five municipalities in the district and covers an area of 2 015 km^2 (www.municipalities.co.za). The main towns in the area are Hopefield, Jacobs Bay, Langebaan, Paternoster, Saldanha, St Helena Bay, Vredenburg.

The Saldanha Bay area plays an important role in the broader strategic framework of the South African Government as driven by the National Development Plan and National Growth Plan. It was identified as a special intervention area, attributed to the natural deep-water harbour and industrial development prospects that warrants its designation as a national growth management zone. The Saldanha Bay Industrial Development Zone (IDZ) was launched in October 2013 with the aim of serving as an important mechanism to achieve the government's aim of sustainable economic development and job creation in the localised economy. Diversification, and transformation of the historically under-developed and under-supported industrial maritime and energy sectors and broadening of the regional and national economic base through industrialisation (Saldanha Bat Local Municipality IDP, May 2022).

St Helena Bay is one of the world's principal fishing centres. Huge shoals of anchovies and pilchards fed in the area before they were depleted by overfishing. Twelve fish-processing factories were established along the 21 km curve of the shore from West Point to Sandy Point and Stompneus. The bay is also well known for its snoek, especially during the winter months.

Saldanha Bay is the largest natural bay in South Africa and has a huge iron ore quay and is home to a large variety of fishing vessels. The town is not only important for export, but also hosts a number of other industries, such as crayfish, fish, mussels, oysters, seaweed and many more. It is also home to the South African Military Academy as well as SAS SALDANHA, a naval training unit.

The largest economic sectors in the municipal area are manufacturing, trade, and finance, while the agricultural sector is the largest contributor to employment. The fishing industry and fish processing are the largest primary and secondary industries in the municipality.

5.1.2.1.5 Swartland Local Municipality

The Swartland Local Municipality covers an area of 3 708 km^2 (www.municipalities.co.za). Main towns in the area include Abbotsdale, Chatsworth, Darling, Grotto Bay, Kalbaskraal, Koringberg, Malmesbury, Moorreesburg, Riebeeck Kasteel, Riebeeck West, Riverlands, and Yzerfontein.

The town of Malmesbury fulfils an important niche in the region due to its high development potential that can be attributed to factors like its relative accessibility along the N7 road/rail corridor; proximity to Cape Town; a diversified economic base that not only accommodates agriculture, but also well-developed industrial and commercial sectors; and supportive infrastructure. A number of people moved here and commute to jobs in Cape Town because of the high property rates in the Cape Town Metropolitan area and the tranquil environment that it offers.

Commercial services; Manufacturing; and Agriculture are the biggest contributors to the economy of the municipal area, with Agriculture being the second highest contributor to employment.

5.1.2.2 City of Cape Town Metropolitan Municipality

The City of Cape Town Metropolitan Municipality is situated in the southern peninsula of the Western Cape Province and covers an area of 2 441 km^2 (www.municipality.co.za). It is South Africa's second largest economic centre and the second most populous city after Johannesburg. It is the provincial capital as well as the legislative capital of South Africa. The city is known for its harbour, floral kingdom and well-known landmarks like Table Mountain and Cape Point.

Main towns and cities in the area include Athlone, Atlantis, Belhar, Bellville, Blackheath, Blouberg, Blue Downs, Brackenfell, Cape Point, Cape Town, Delft, Durbanville, Elsies Rivier, Fish Hoek, Goodwood, Gordon's Bay, Grassy Park, Guguletu, Hout Bay, Khayelitsha, Kommetjie, Kraaifontein, Kuils River, Langa, Macassar, Matroosfontein, Melkbosstrand, Milnerton, Mitchells Plain, Muizenberg, Noordhoek, Nyanga, Parow, Philadelphia, Philippi, Robben Island, Scarborough, Simon's Town, Sir Lowry's Pass, Somerset West, Southern Suburbs, Strand, and Table View.

5.2 Description of the population

The baseline description of the population will take place on three levels, namely provincial, district and local. Impacts can only truly be comprehended by understanding the differences and similarities between the different levels. The baseline description will focus on the municipal areas along the West Coast that are most likely to be affected by the proposed project. Where possible, the data will be reviewed on a ward level. The data used for the socio-economic description was sourced from Census 2022, Community Survey 2016, and Census 2011. Both Census 2022 and Census 2011 were *de facto* censuses where individuals were counted based on where they were on the census reference night. For Census 2022 the reference night was the night of 2 February 2022 and for Census 2011 it was the night of 9 October 2011. The results should be viewed as indicative of the population characteristics in the area and should not be interpreted as absolute.

StatsSA released limited data for Census 2022 on 10 October 2023 and will release more detailed data in future following a phased approach. The data that was released are only available up to local municipal level, and not on ward level. As such the data from Census 2022 will be supplemented by data from Census 2011 and Community Survey 2016.

Perhaps the most striking feature of Census 2022 is the very high undercount of 31% of people and 30% of households. While census undercounts are the norm rather than the exception (about a 5% undercount is acceptable), the undercount of this census may set a new international record (ww.wits.ac.za). At aggregate level Census 2022 is robust, but at sub-national, and especially sub-provincial, levels it might be less so.

In terms of Census 2011, the following points must be kept in mind (www.statssa.co.za):

- Comparisons of the results of labour market indicators in the post-apartheid population censuses over time have been a cause for concern. Improvements to key questions over the years mean that the labour market outcomes based on the post-apartheid censuses must be analysed with caution. The differences in the results over the years may be partly attributable to improvements in the questionnaire since 1996 rather than to actual developments in the labour market. The numbers published for the 1996, 2001, and 2011 censuses are therefore not comparable over time and are

different from those published by Statistics South Africa in the surveys designed specifically for capturing official labour market results.

- For purposes of comparison over the period 1996–2011, certain categories of answers to questions in the censuses of 1996, 2001 and 2011, have either been merged or separated.

- The tenure status question for 1996 has been dropped since the question asked was totally unrelated to that asked thereafter. Comparisons for 2001 and 2011 do however remain.

- All household variables are controlled for housing units only and hence exclude all collective living arrangements as well as transient populations.

- When making comparisons of any indicator it must be considered that the time period between the first two censuses is five years and that between the second and third census is ten years. Although Census captures information at one given point in time, the period available for an indicator to change is different.

5.2.1 Population and household sizes

According to the Census 2022, the population of South Africa is approximately 62 million and has shown an increase of about 19.8% since 2011. The household density for the country is estimated on approximately 3.48 people per household, indicating an average household size of 3-4 people for most households, which is down from the 2011 average household size of 3.58 people per household. Smaller household sizes are in general associated with higher levels of urbanisation.

The greatest increase in population since 2011 has been in the Richtersveld Local Municipality (Table 1) where the population more than doubled. Port Nolloth is located in the Richtersveld LM. The populations in both the Nama Khoi LM and the Kamiesberg LM in the Northern Cape Province have increased with more than 40%. The population in the Saldanha Bay LM in the Western Cape has increased with more than 50% since 2011. Population density refers to the number of people per square kilometre and the population density on a national level has increased from 42.45 people per km^2 in 2011 to 50.81 people per km^2 in 2022. The City of

Cape Town had the highest population density in 2022, and the Kamiesberg Local Municipality the lowest. Figure 4 gives a comparison of the population density. The municipalities in the rural areas in the Northern Cape are the least densely populated, while the metropolitan areas in Cape Town have the highest population density. Figure 5 shows the number of people per ward. The wards in the rural areas tend to have less people spread over a greater area, while in the urban areas there are more people in a much smaller area.

Table 1: Population density and growth estimates (sources: Census 2011, Census 2022)

Area	Size in km^2	Population 2011	Population 2022	Population density 2011	Population density 2022	Growth in population (%)
Northern Cape	**372,889**	**1,145,861**	**1,355,945**	**3.07**	**3.64**	**18.33**
Namakwa DM	*126,836*	*115,842*	*148,935*	*0.91*	*1.17*	*28.57*
Richtersveld LM	9,608	11,982	24,235	1.25	2.52	102.26
Nama Khoi LM	17,990	47,041	67,089	2.61	3.73	42.62
Kamiesberg LM	14,208	10,187	15,130	0.72	1.06	48.52
Western Cape	**129,462**	**5,822,734**	**7,433,020**	**44.98**	**57.41**	**27.66**
West Coast DM	*31,118*	*391,766*	*497,394*	*12.59*	*15.98*	*26.96*
Matzikama LM	12,981	67,147	69,043	5.17	5.32	2.82
Cederberg LM	8,007	49,768	55,108	6.22	6.88	10.73
Bergrivier LM	4,407	61,897	70,276	14.05	15.95	13.54
Saldanha Bay LM	2,015	99,193	154,635	49.23	76.74	55.89
Swartland LM	3,708	113,762	148,331	30.68	40.00	30.39
City of Cape Town Metropolitan	*2,441*	*3,740,026*	*4,772,846*	*1,532.17*	*1955.28*	*27.62*

Figure 4: Population density (source: Census 2022)

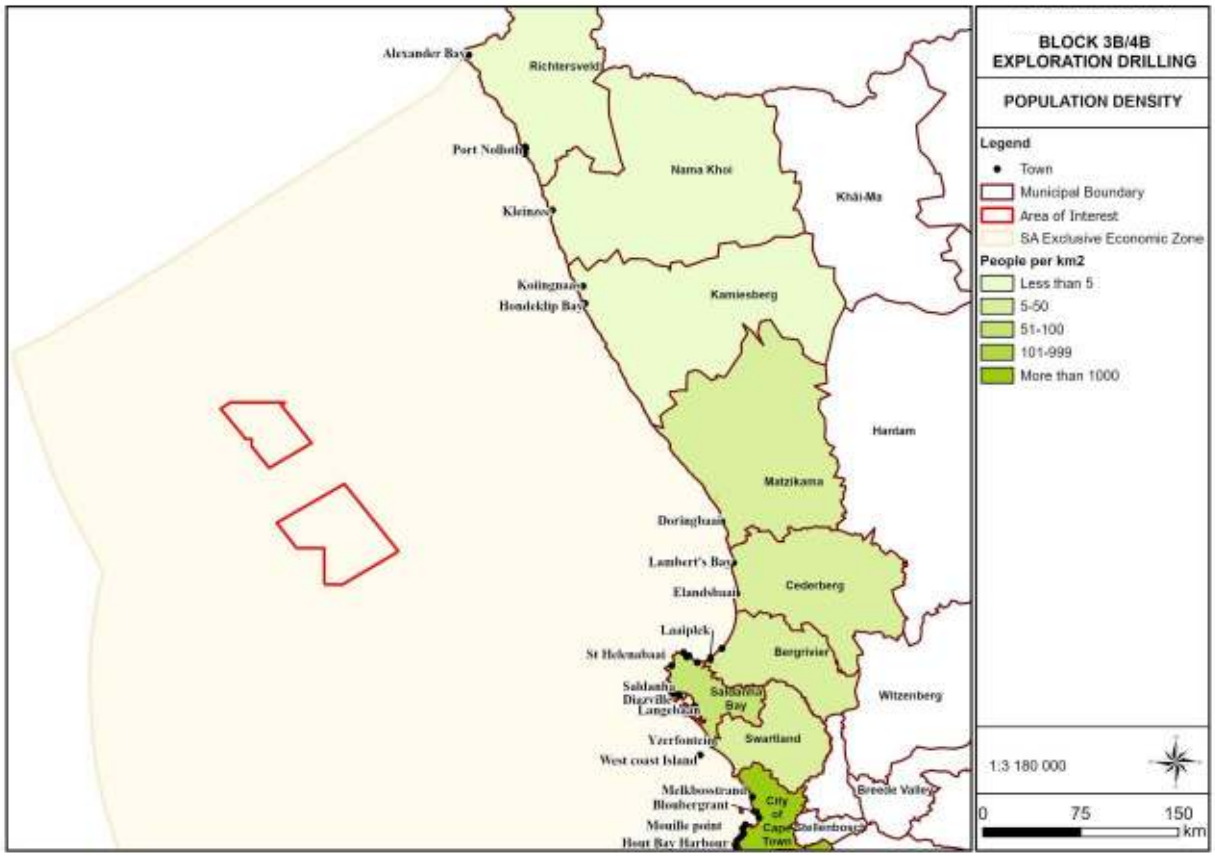
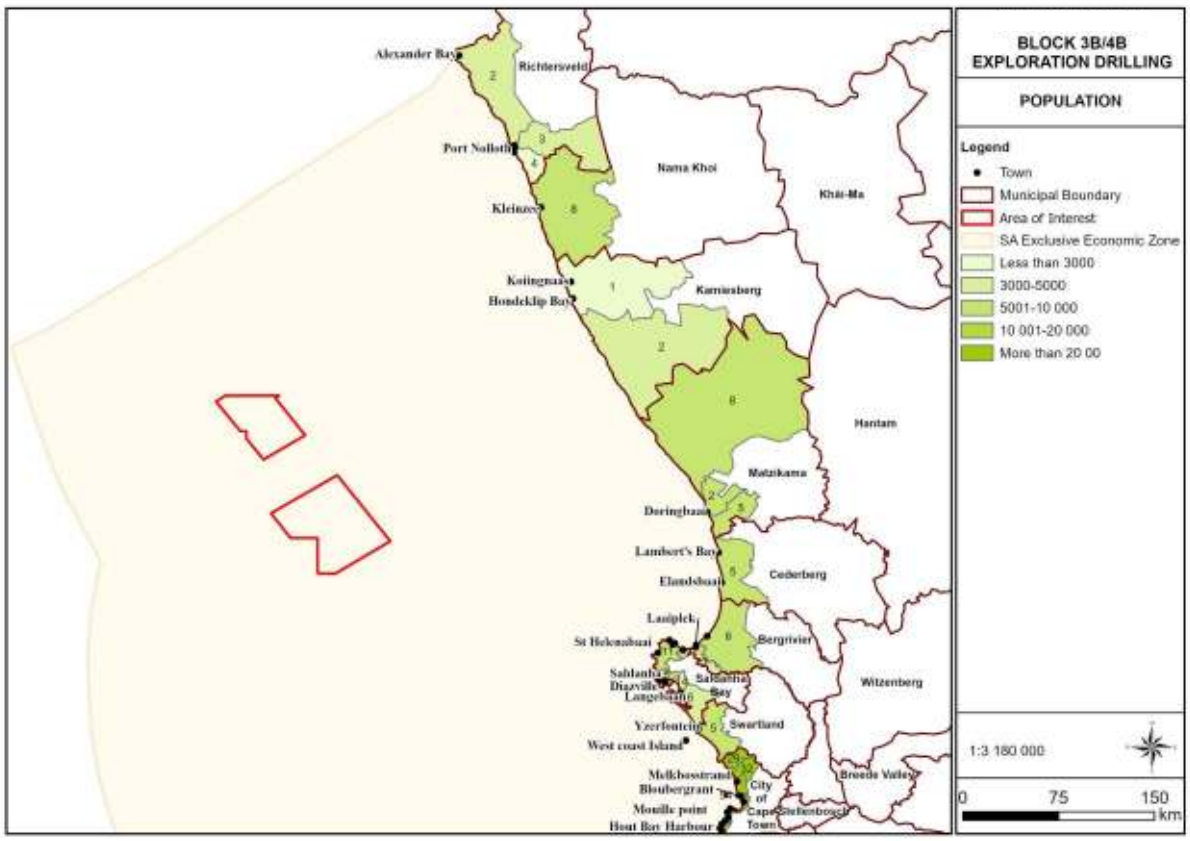


Figure 5: People per ward (source: Census 2011)



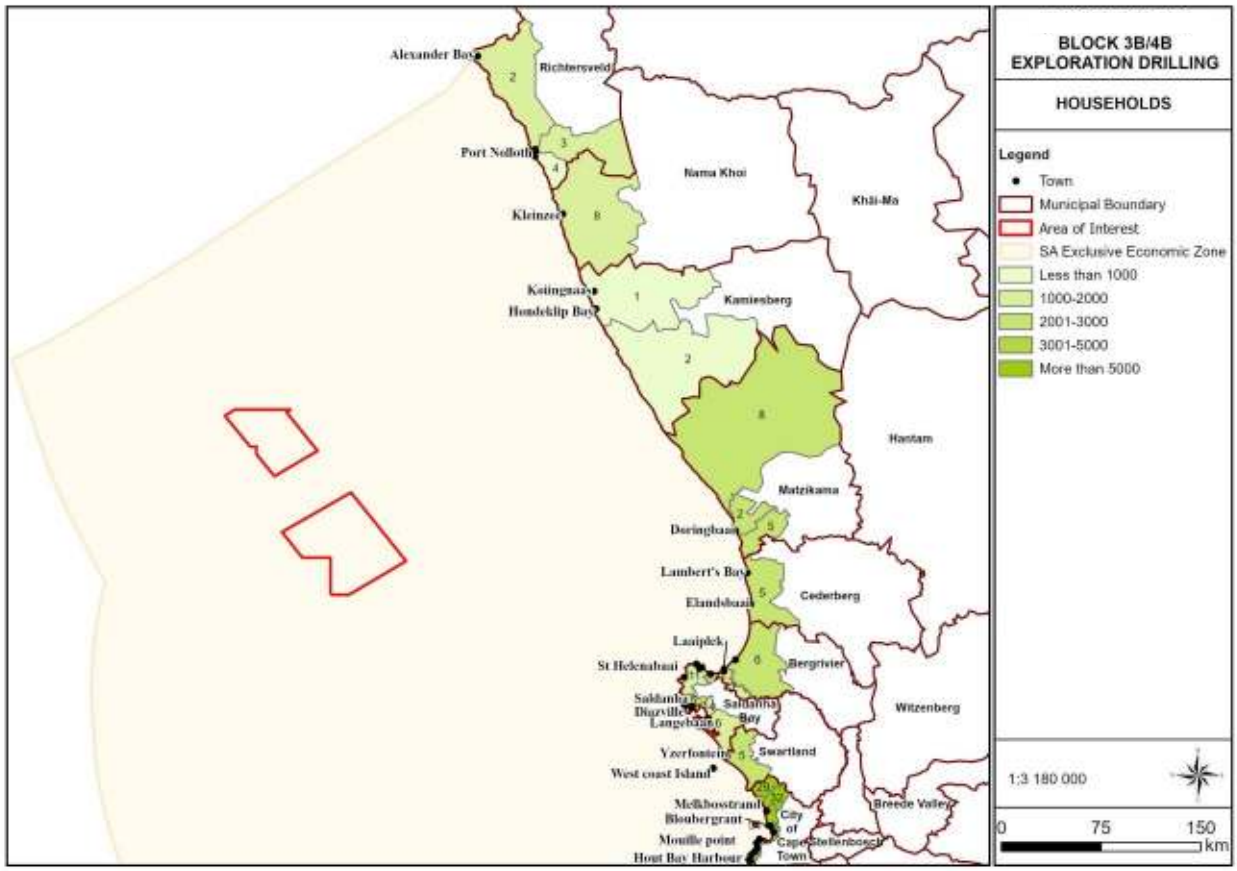
The number of households in the study area has increased on all levels (Table 2). The proportionate increase in households were greater than the increase in population on all levels in the Western Cape municipalities (except for the Matzikama LM) but in the Northern Cape municipalities the increase in population were greater than the increase in households. The greatest proportional increases in households were in the Saldanha Bay, Swartland and Richtersveld Bay Local Municipalities. The average household size has shown an increase in the Northern Cape municipalities and a decrease in the Western Cape municipalities, except for the Matzikama LM where it showed a slight increase. The increase in household sizes can be due to financial hardships that people are experiencing after the Covid-19 pandemic and the current economic climate resulting from continual loadshedding by Eskom.

Table 2: Household sizes and growth estimates (sources: Census 2011, Census 2022)

Area	Households 2011	Households 2022	Average household size 2011	Average household size 2022	Growth in households (%)
Northern Cape	**301,405**	**333,553**	**3.80**	**4.07**	**10.67**
Namakwa DM	*33,856*	*33,947*	*3.42*	*4.39*	*0.27*
Richtersveld LM	3,543	5,643	3.38	4.29	59.27
Nama Khoi LM	13,193	14,579	3.57	4.60	10.51
Kamiesberg LM	3,143	3,576	3.24	4.23	13.78
Western Cape	**1,634,000**	**2,264,032**	**3.56**	**3.28**	**38.56**
West Coast DM	*106,781*	*150,840*	*3.67*	*3.30*	*41.26*
Matzikama LM	18,835	19,101	3.57	3.61	1.41
Cederberg LM	13,513	15,912	3.68	3.46	17.75
Bergrivier LM	16,275	20,412	3.80	3.44	25.42
Saldanha Bay LM	28,835	50,559	3.44	3.06	75.34
Swartland LM	29,324	44,856	3.88	3.31	52.97
City of Cape Town Metropolitan	*1,068,573*	*1,452,845*	*3.50*	*3.29*	*35.96*

Figure 6 shows the number of households per ward. The wards in the Kamiesberg LM have the fewest people per ward. It is not known how this has changed since 2011 as the 2022 data has not yet been released on ward level, but as the Kamiesberg LM still has the lowest population density, it is likely that it still has the fewest people per ward.

Figure 6: Households per ward (source: Census 2011)



The total dependency ratio is used to measure the pressure on the productive population and refer to the proportion of dependents per 100 working-age population. As the ratio increases, there may be an increased burden on the productive part of the population to maintain the upbringing and pensions of the economically dependent. A high dependency ratio can cause serious problems for a country as the largest proportion of a government's expenditure is on health, social grants and education that are most used by the old and young population.

The Kamiesberg Local Municipality had the highest total dependency ratio (Table 3) in 2011, while in the Richtersveld Local Municipality have the lowest. Employed dependency ratio refers to the proportion of people dependent on the people who are employed, and not only those of working age. The employed dependency ratio for the Kamiesberg and Nama Khoi Local Municipalities are the highest. This suggests high levels of poverty in these areas. Figure 7 and Figure 8 show the total and employed dependency ratios on a ward level. The results released by StatsSA for Census 2022 are not grouped in a way to allow for calculating dependency ratios in a comparable way.

Table 3: Total dependency ratios (source: Census 2011).

Area	Total dependency	Youth dependency	Aged dependency	Employed dependency
Northern Cape	**55.75**	**46.94**	**8.80**	**75.32**
Namakwa DM	***51.23***	***39.01***	***12.22***	***70.92***
Richtersveld LM	*42.51*	*33.96*	*8.55*	*61.38*
Ward 2	36.82	32.89	3.93	56.70
Ward 3	39.54	32.95	6.59	64.57
Ward 4	48.60	35.93	12.67	63.98
Nama Khoi LM	*49.45*	*37.16*	*12.29*	*73.74*
Ward 8	45.05	35.42	9.63	76.99
Kamiesberg LM	*57.89*	*41.84*	*16.05*	*78.37*
Ward 1	54.81	40.19	14.62	79.04
Ward 2	48.90	33.04	15.86	69.06
Western Cape	**44.96**	**36.44**	**8.52**	**65.47**
West Coast DM	***45.92***	***37.14***	***8.78***	***63.98***
Matzikama LM	*49.39*	*40.05*	*9.34*	*64.55*
Ward 2	48.60	38.35	10.24	67.26
Ward 5	46.38	33.96	12.41	53.32
Ward 8	53.71	41.14	12.57	71.99
Cederberg LM	*46.99*	*37.59*	*9.40*	*62.75*
Ward 5	51.76	38.06	13.70	69.48
Bergrivier LM	*46.89*	*36.62*	*10.27*	*61.61*
Ward 6	46.60	37.11	9.49	65.08
Ward 7	55.44	23.94	31.50	68.70
Saldanha Bay LM	*43.96*	*36.41*	*7.54*	*65.36*
Ward 1	39.71	36.79	2.91	68.76
Ward 3	29.02	23.68	5.35	74.04
Ward 5	39.28	27.63	11.66	54.39
Ward 6	59.99	25.93	34.06	61.44
Ward 11	44.91	32.19	12.73	63.50
Ward 12	45.16	41.60	3.56	67.57
Ward 14	42.82	34.92	7.90	54.68
Swartland LM	*44.68*	*36.21*	*8.47*	*64.27*
Ward 5	50.76	33.31	17.44	58.03
City of Cape Town Metropolitan	***43.61***	***35.65***	***7.97***	***65.39***
Ward 4	35.95	31.80	4.16	52.38
Ward 23	38.49	26.83	11.66	47.23
Ward 29	47.25	40.95	6.30	69.98
Ward 32	44.89	41.04	3.85	68.39
Ward 54	39.01	16.17	22.84	51.04
Ward 55	41.63	26.22	15.41	56.16
Ward 74	40.68	33.04	7.63	58.62
Ward 107	40.60	28.96	11.64	46.30
Ward 113	36.71	26.07	10.64	47.93
Ward 115	26.32	14.33	12.00	60.94

Figure 7: Total dependency ratios (source: Census 2011)

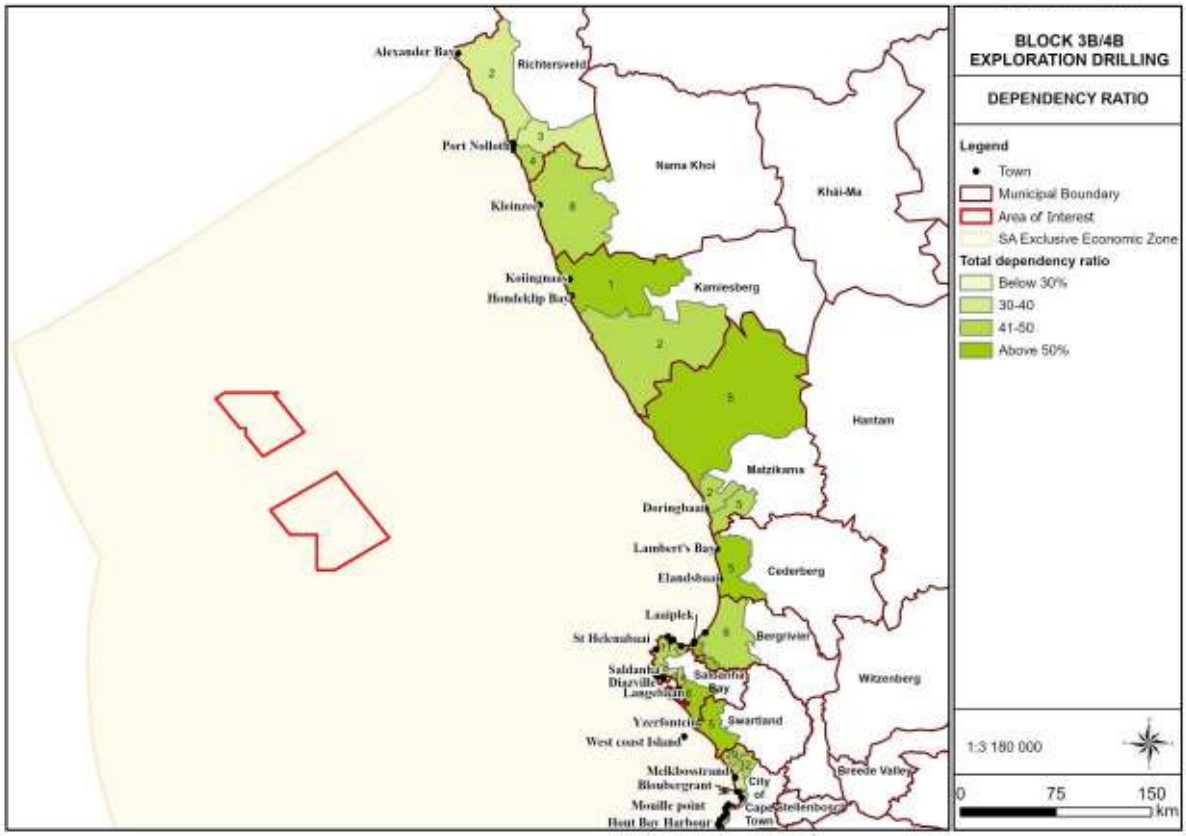
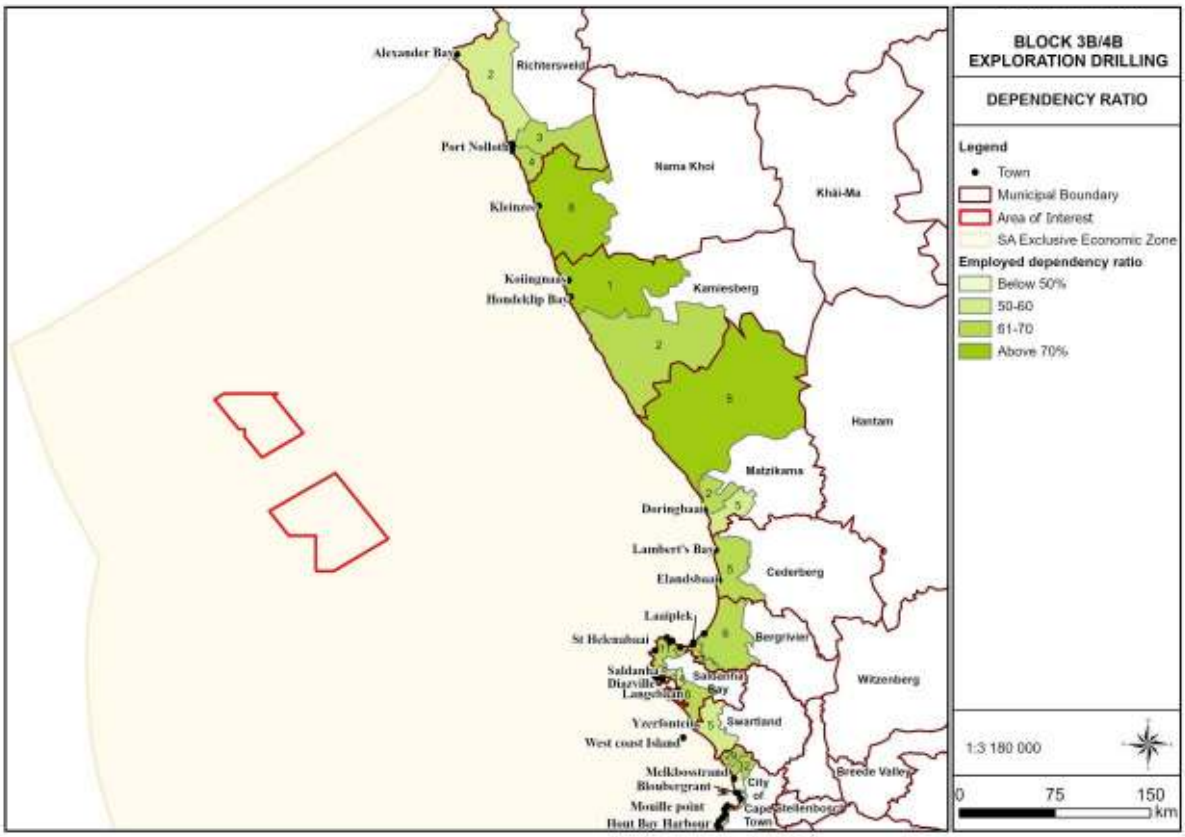


Figure 8: Employed dependency ratio (source: Census 2011).



Poverty is a complex issue that manifests itself in economic, social, and political ways and to define poverty by a unidimensional measure such as income or expenditure would be an oversimplification of the matter. Poor people themselves describe their experience of poverty as multidimensional. The South African Multidimensional Poverty Index (SAMPI) (Statistics South Africa, 2014) assess poverty on the dimensions of health, education, standard of living and economic activity using the indicators child mortality, years of schooling, school attendance, fuel for heating, lighting, and cooking, water access, sanitation, dwelling type, asset ownership and unemployment.

The poverty headcount refers to the proportion of households that can be defined as multi-dimensionally poor by using the SAMPI's poverty cut-offs (Statistics South Africa, 2014). The poverty headcount has increased on all levels between 2011 and 2016 (Table 4), indicating an increase in the number of multi-dimensionally poor households. Poverty headcounts based on the 2022 Census data have not yet been released.

The intensity of poverty experienced refers to the average proportion of indicators in which poor households are deprived (Statistics South Africa, 2014). The intensity of poverty has increased slightly on all levels. The intensity of poverty and the poverty headcount is used to calculate the SAMPI score. A higher score indicates a very poor community that is deprived on many indicators. The SAMPI score has decreased in the Northern Cape (Table 4) as well as the Northern Cape municipalities included in the study. In the Nama Khoi Local Municipality, the score remained the same although there was a slight increase in the intensity of the poverty. In the Western Cape the SAMPI score decreased on a provincial level, but in the West Coast District Municipality it has increased.

Table 4: Poverty and SAMPI scores (sources: Census 2011 and Community Survey 2016).

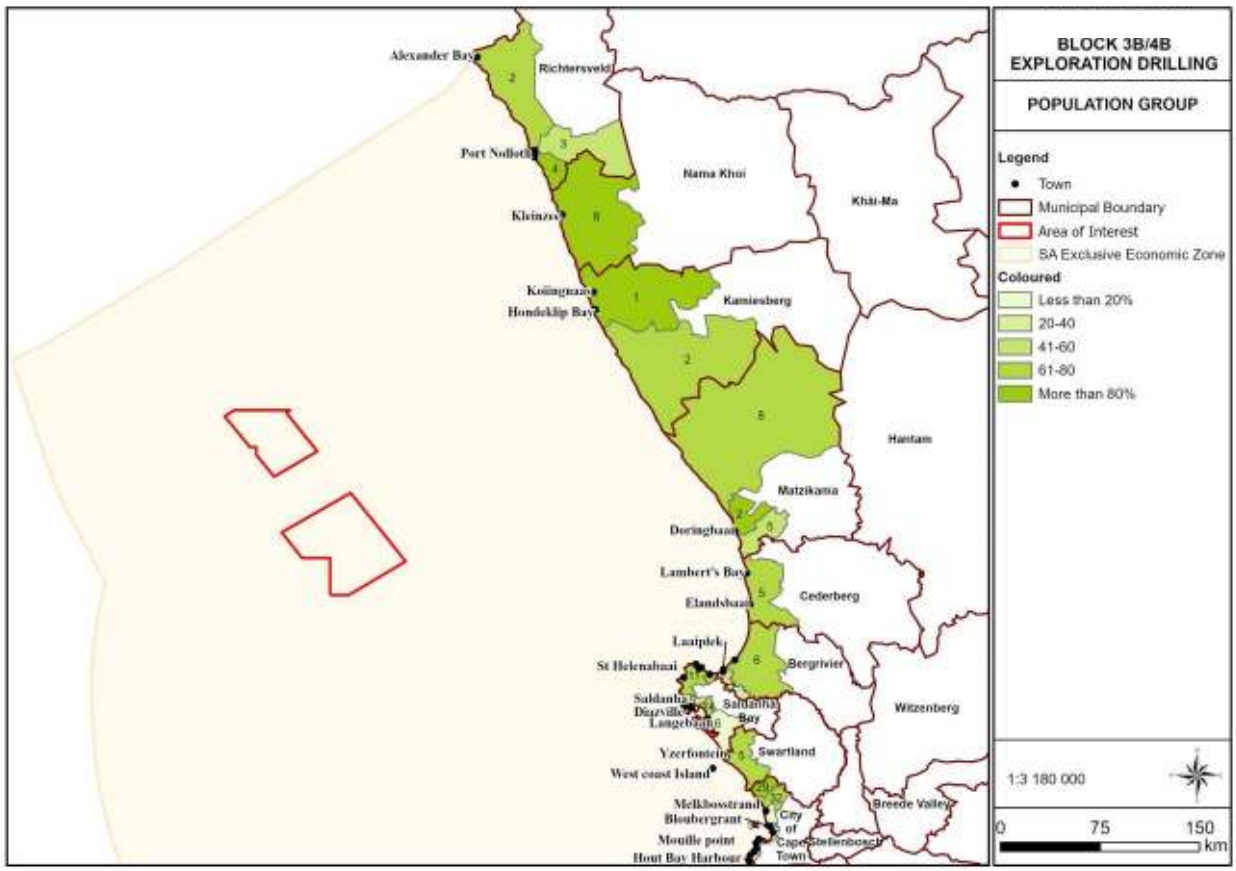
Area	Poverty headcount 2011 (%)	Poverty intensity 2011 (%)	SAMPI 2011	Poverty headcount 2016 (%)	Poverty intensity 2016 (%)	SAMPI 2016
Northern Cape	**7.1**	**42.1**	**0.030**	**6.6**	**42**	**0.028**
Namakwa DM	*3.2*	*40.2*	*0.013*	*2.8*	*41.6*	*0.012*
Richtersveld LM	3.1	39.9	0.012	1.9	38.3	0.007
Nama Khoi LM	2.5	40.4	0.010	2.5	41.7	0.010
Kamiesberg LM	5.1	40	0.020	3	39	0.012
Western Cape	**3.6**	**42.6**	**0.015**	**2.7**	**40.1**	**0.011**
West Coast DM	*2*	*41.9*	*0.008*	*2.9*	*44.5*	*0.013*
Matzikama LM	3.4	42.4	0.014	0.8	42.5	0.003

Cederberg LM	2.8	42.9	0.012	3.6	45.7	0.016
Bergrivier LM	1	43.7	0.004	1.6	41.5	0.007
Saldanha Bay LM	2.2	41	0.009	6.7	45.4	0.030
Swartland LM	1	40.6	0.004	0.9	39.9	0.004
City of Cape Town Metropolitan	*3.9*	*42.8*	*0.017*	*2.6*	*39.3*	*0.010*

5.2.2 Population composition, age, gender and home language

The majority of the people living in wards adjacent to the ocean are classified as belonging to the Coloured population group (Figure 9). The Coloured population group include Khoe and San people who in general find this classification offensive and they do not identify as such. Census 2022 only released data on population composition on a provincial level. In the Western Cape there was about an increase of about 6% in proportion of people belonging to the Black population group between 2011 and 2022, and a decrease of about 6% of the proportion of people belonging to the Coloured population group. In the Northern Cape there was a slight increase in the proportion of people belonging to the Coloured population group.

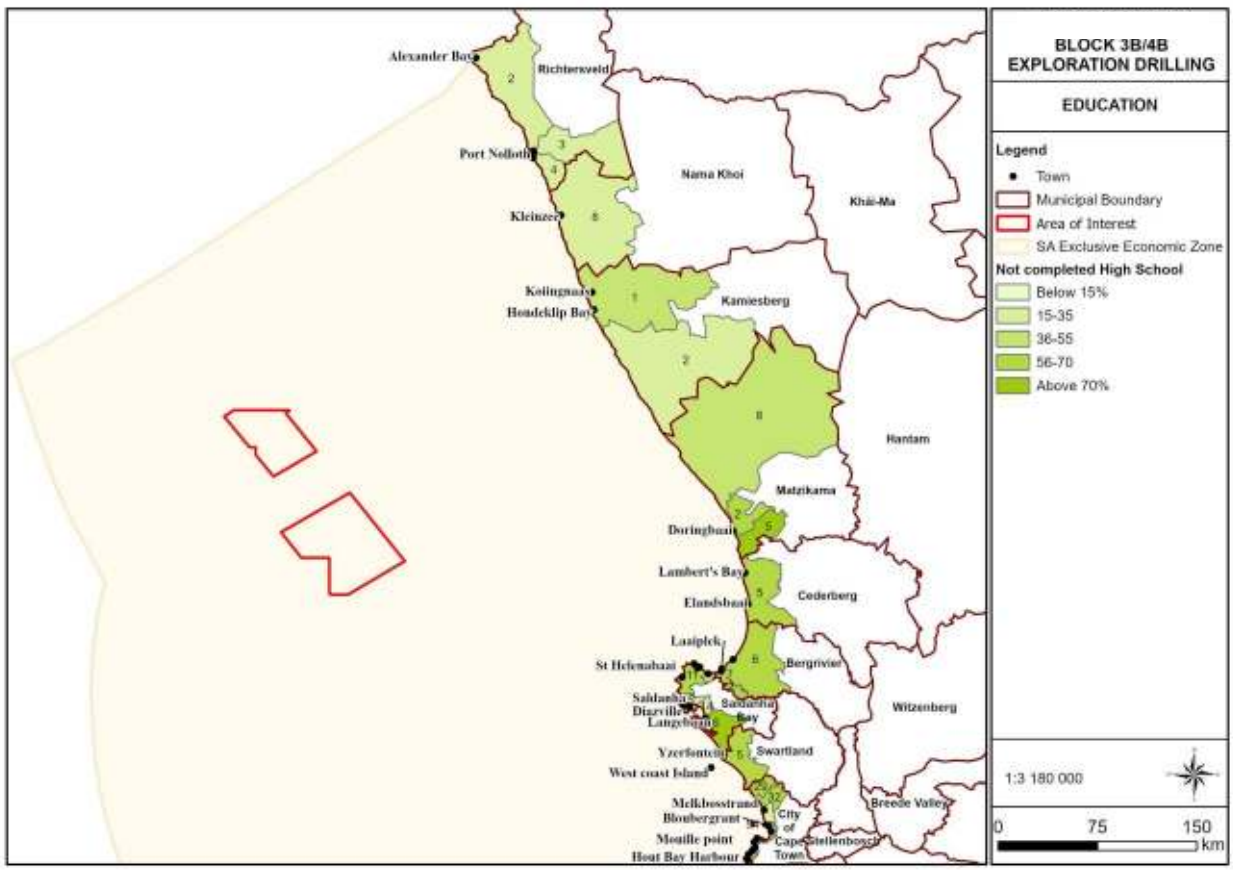
Figure 9: Classified as Coloured (shown in percentage, source: Census 2011)



The Kamiesberg Local Municipality has the highest average age (33.17 years) while the Saldanha Bay Local Municipality has the lowest (29.86 years). Average age varies on a ward level. Census 2022 shows that on a local municipal level, there are proportionately more people aged 35 years or older than in 2011, and less people younger than 35 years.

In 2011 the gender distribution where more or less equal in most municipal areas, except for the Richtersveld Local Municipality where there is a bias towards males. This was most likely due to mining activities that are taking place in the area. Census 2022 shows that in most of the local municipalities there are proportionately less males than in 2011, except in the City of Cape Town Metropolitan, and the Bergrivier and Saldanha Bay local municipalities where the proportions remained more or less the same. On a ward level, most people have Afrikaans as home language (Figure 10).

Figure 10: Home language Afrikaans (shown in percentage, source; Census 2011)

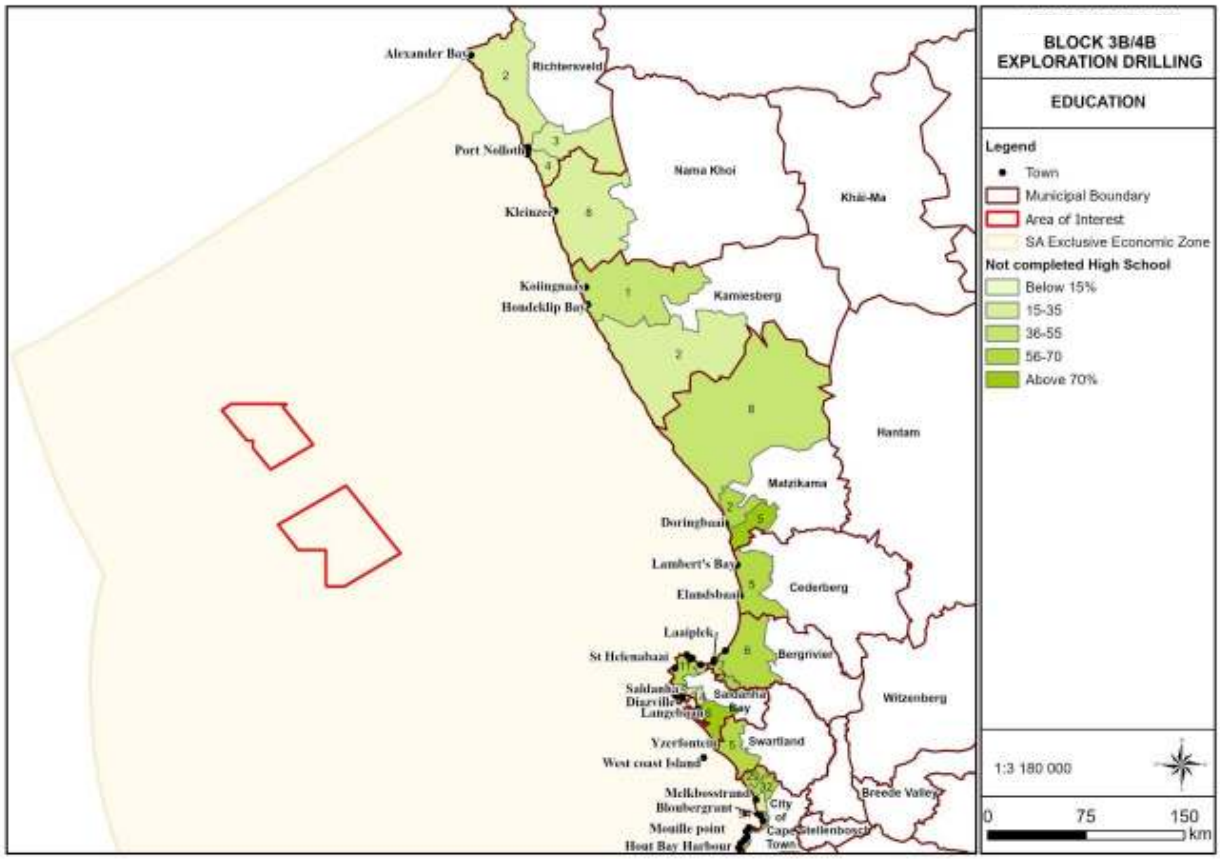


5.2.3 Education

In 2011 the highest proportion of people who did not complete high school was in the Saldanha Bay (73.59%) and the Swartland (72.83%) Local Municipalities while the Matzikama

(32.7%) and Nama Khoi (37.37%) Local Municipalities had the lowest proportion of people that did not complete high school (Figure 11). Census 2022 has not yet released data on education.

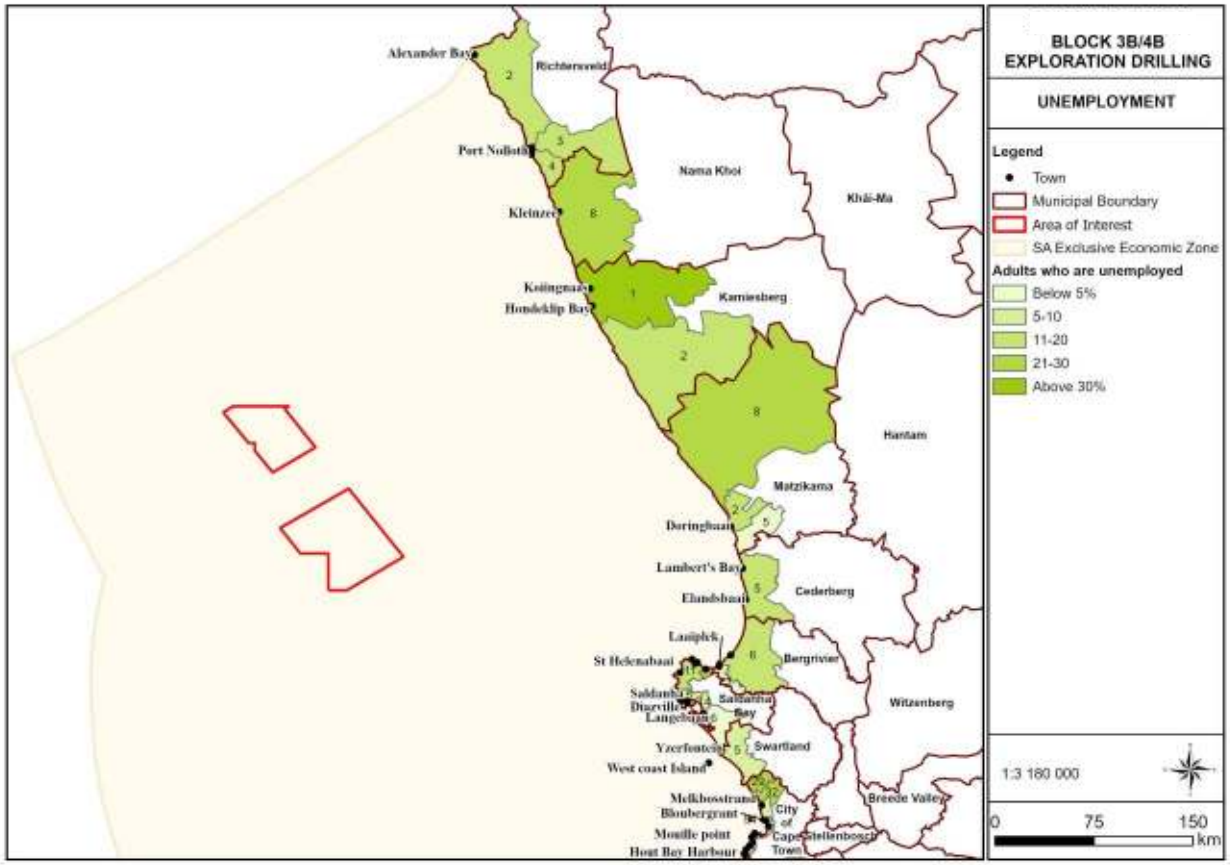
Figure 11: Proportion of people that did not complete secondary school (shown in percentage, source: Census 2011).



5.2.4 Employment

In 2011 the area with the highest proportion of unemployed people was ward 1 in the Kamiesberg Local Municipality where Hondeklip Bay is located (Figure 12). The proportion of unemployed people include those actively seeking for work as well as discouraged work seekers. The majority of people who were working, were employed in the formal sector. Census 2022 has not yet released data on employment.

Figure 12: Proportion of adults that are unemployed (shown in percentage, source: Census 2011).

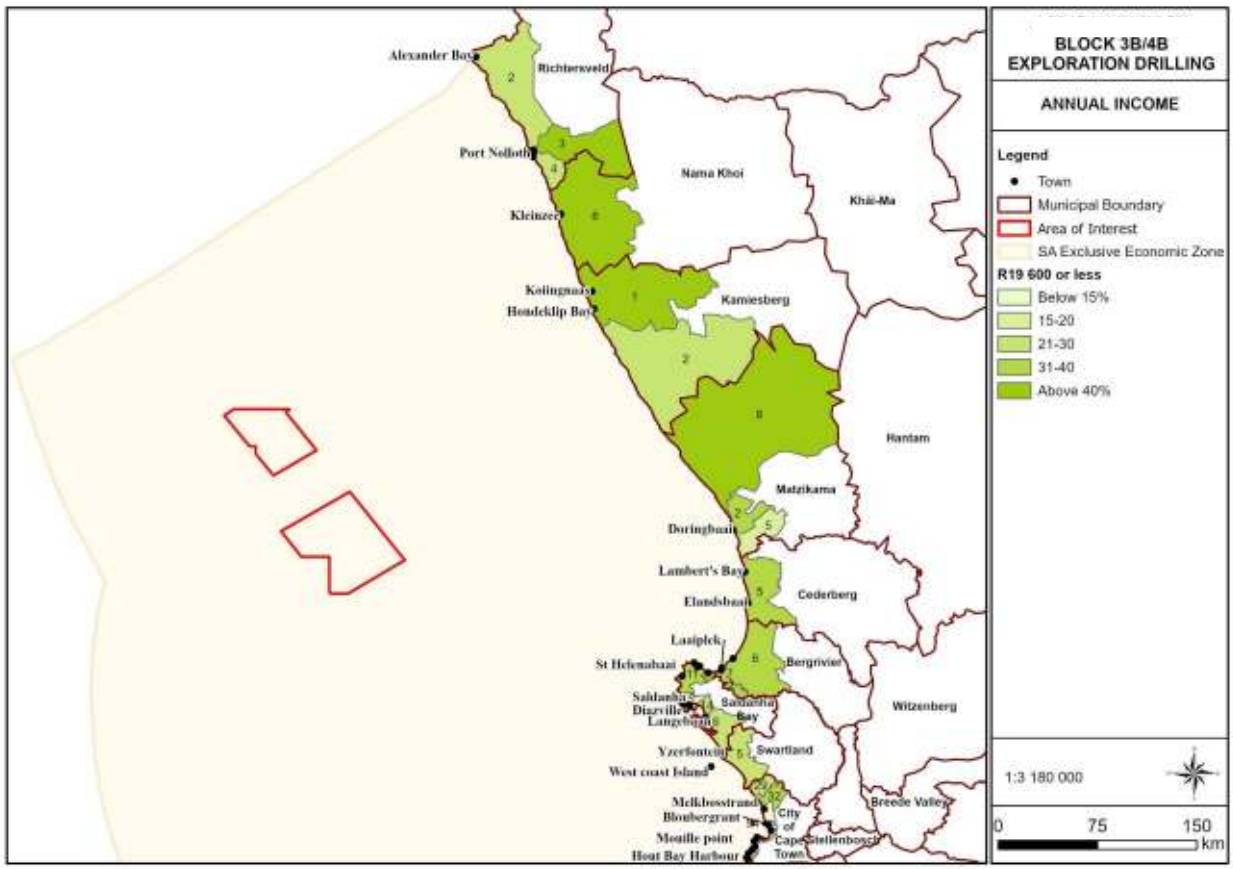


5.2.5 Household income

In 2011 almost a third of households on municipal level had an annual household income of R19 600 or less, with great variation between wards (Figure 13). Statistics South Africa (2022) has calculated the Food Poverty Line (FPL) as R663 per capita per month for 2022 where the FPL is the Rand value below which individuals are unable to purchase or consume enough food to supply them with the minimum per-capita-per-day energy requirement for good health. The FPL is one of three poverty lines, the others being the upper bound poverty line (UBPL) and the lower bound poverty line (LBPL). The LBPL and UBPL both include a non-food component. Individuals at the LBPL do not have enough resources to consumer or purchase both adequate food and non-food items and are forced to sacrifice food to obtain essential non-food items, while individuals at the UBPL can purchase both adequate food and non-food items. The LBPL was R945 per capita per month in 2022 and the UBPL R1 417 per capita per month respectively. In 2011 a household with four members needed an annual household income of approximately R17 000 to be just above the FPL. Household income data has not

yet been released for Census 2022. When comparing this with the SAMPI data it seems as if there are more households below the poverty lines in the area than who are multi-dimensionally poor. This is due to the poverty lines using a financial measure and do not take into consideration payment in kind and livelihood strategies such as subsistence farming. If these were to be converted into a Rand value, the poverty line picture may have a closer resemblance to the SAMPI data.

Figure 13: Proportion of households with an annual income of R19 600 or less in 2011 (shown in percentage, source: Census 2011).



5.2.6 Housing

The majority of households live in areas that are classified as urban, except in the Matzikama Local Municipality (Figure 14). The majority of people live in formal dwellings that that are houses or structures that are on a separate stand or yard. The incidence of informal dwellings is relatively low (Figure 15), except for Ward 1 of the Saldanha Bay Local Municipality where the majority of people live in informal dwellings. Wards 32 and 74 also have a relatively large proportion of households living in informal dwellings. Census 2022 shows an increase in the proportion of formal dwellings in the local municipalities located in the Northern Cape, with

an increase in the proportion of informal dwellings in the Kamiesberg LM. In the Western Cape the proportion of formal dwellings decreased in the Cederberg, Bergrivier and Swartland local municipalities while the proportion of informal dwellings in these three municipalities have increased.

Figure 14: Proportion of households that live in urban areas (shown in percentage, source: Census 2011).

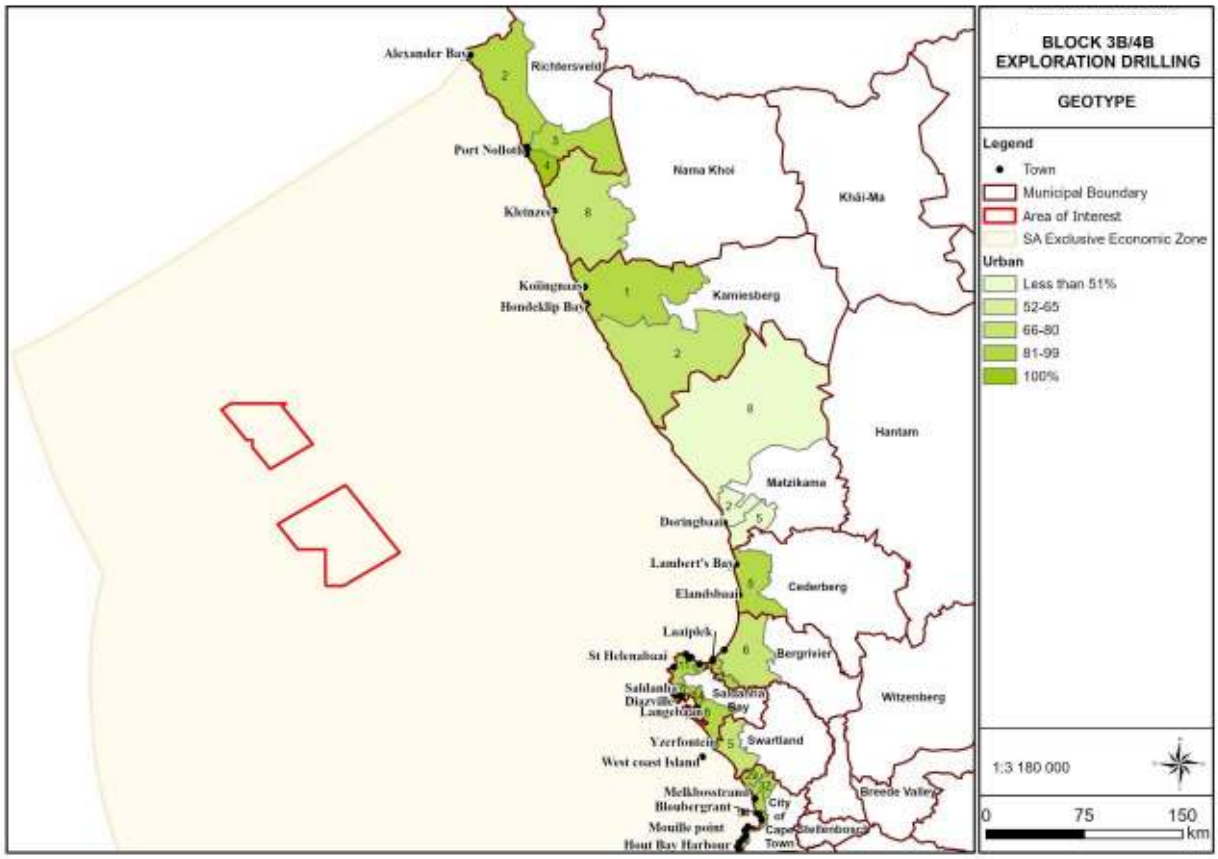
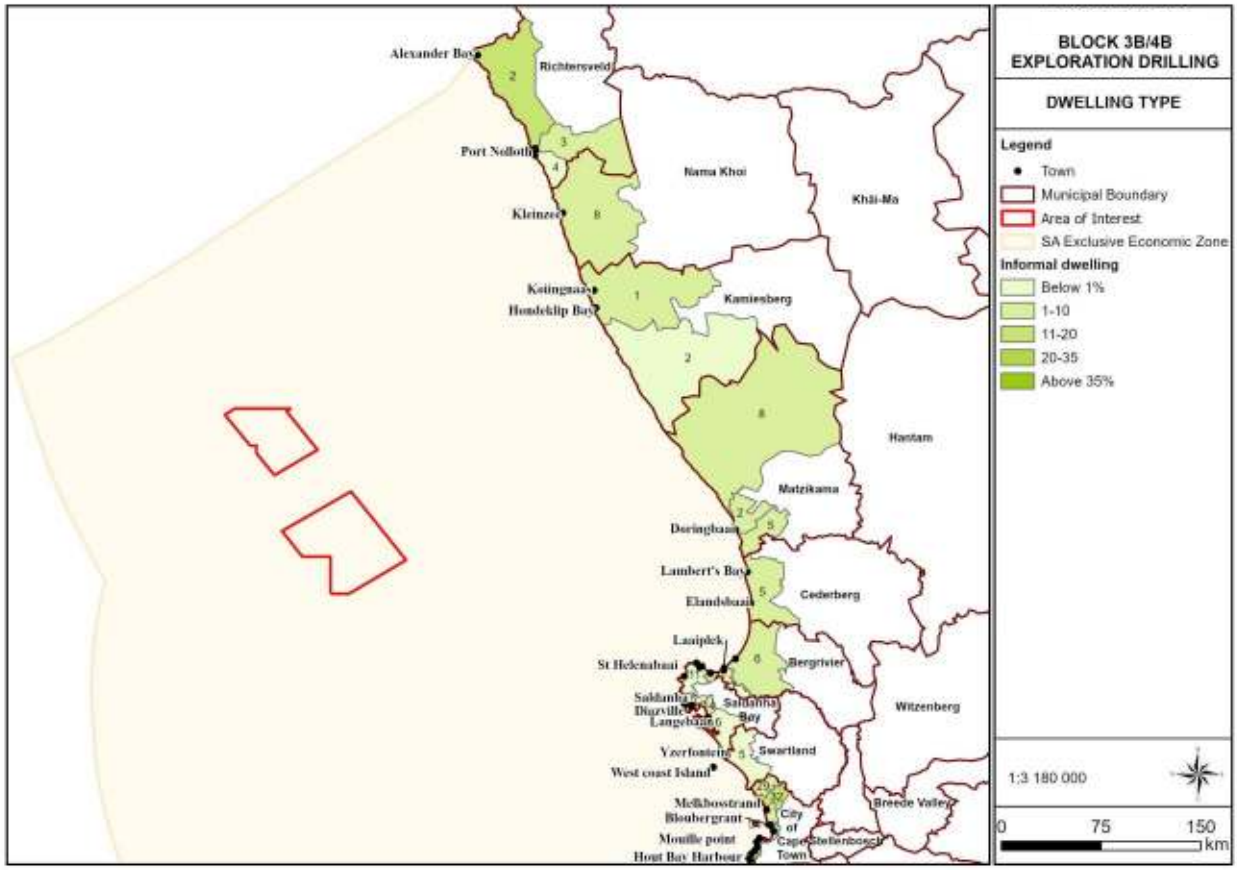


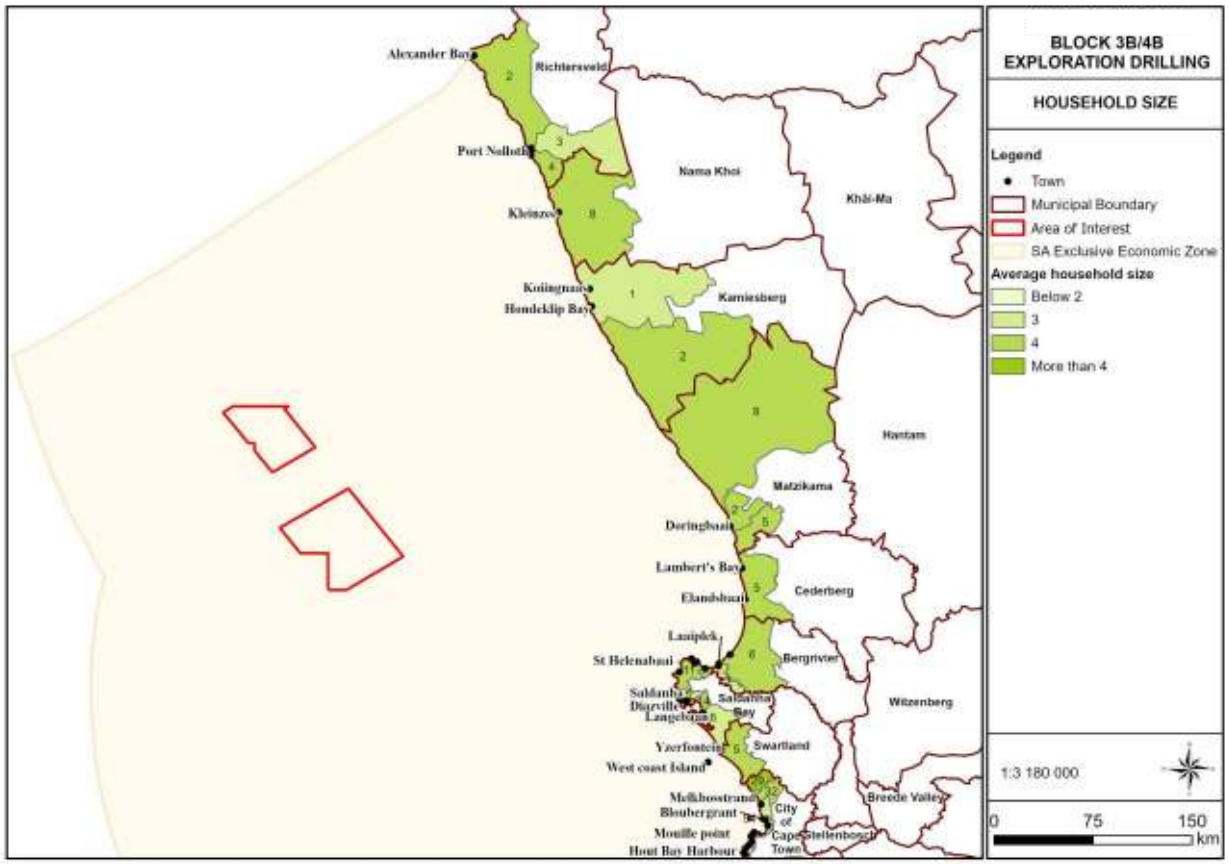
Figure 15: Proportion of households that live in informal dwellings (shown in percentage, source: Census 2011).



5.2.7 Household size

The average household size in the wards vary between 1.96 people per household and 4.86 people per household (Figure 16). Census 2022 shows that the household sizes in the municipalities in the Northern Cape have increased, while in the Western Cape the household sizes have decreased. This can be indicative of people in the Northern Cape moving in together due to financial hardship.

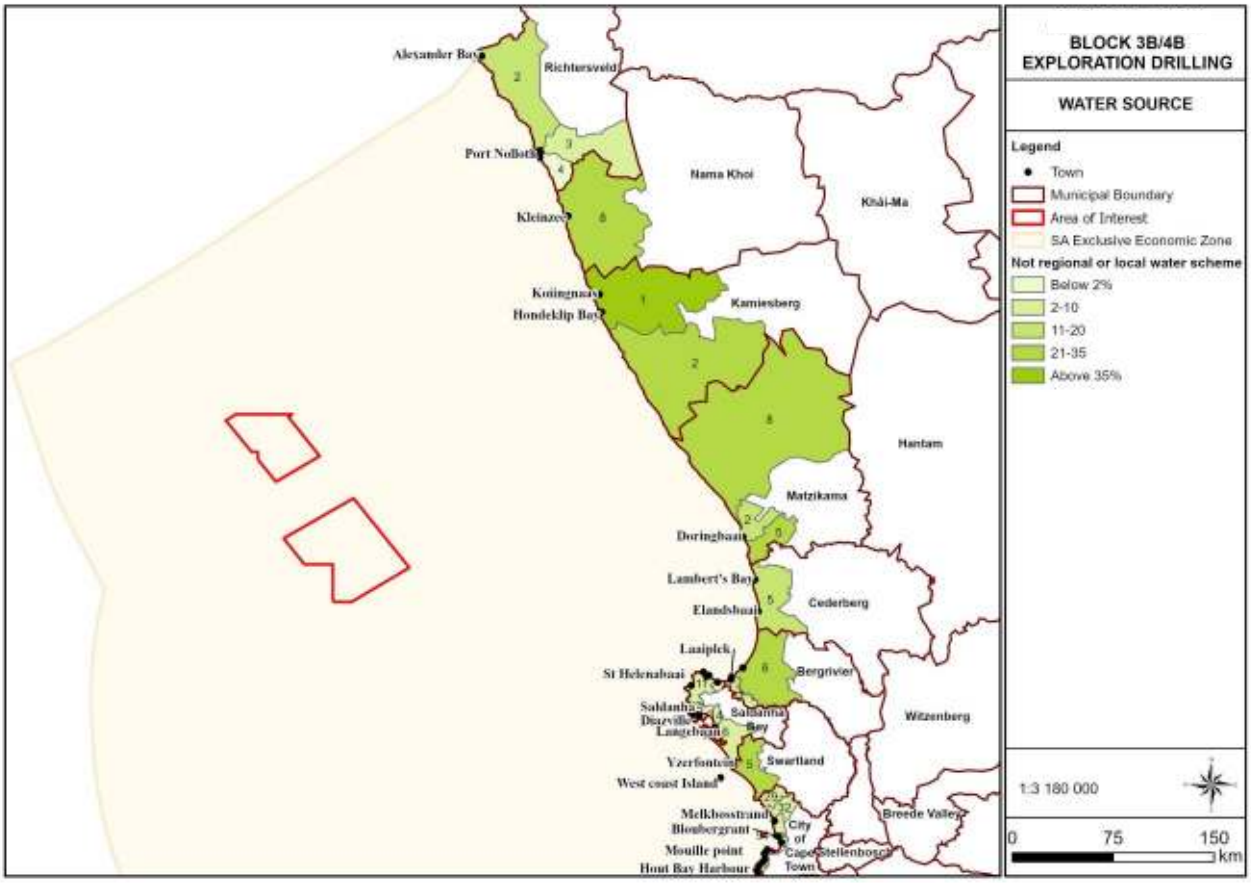
Figure 16: Average household sizes (source: Census 2011).



5.2.8 Access to water and sanitation

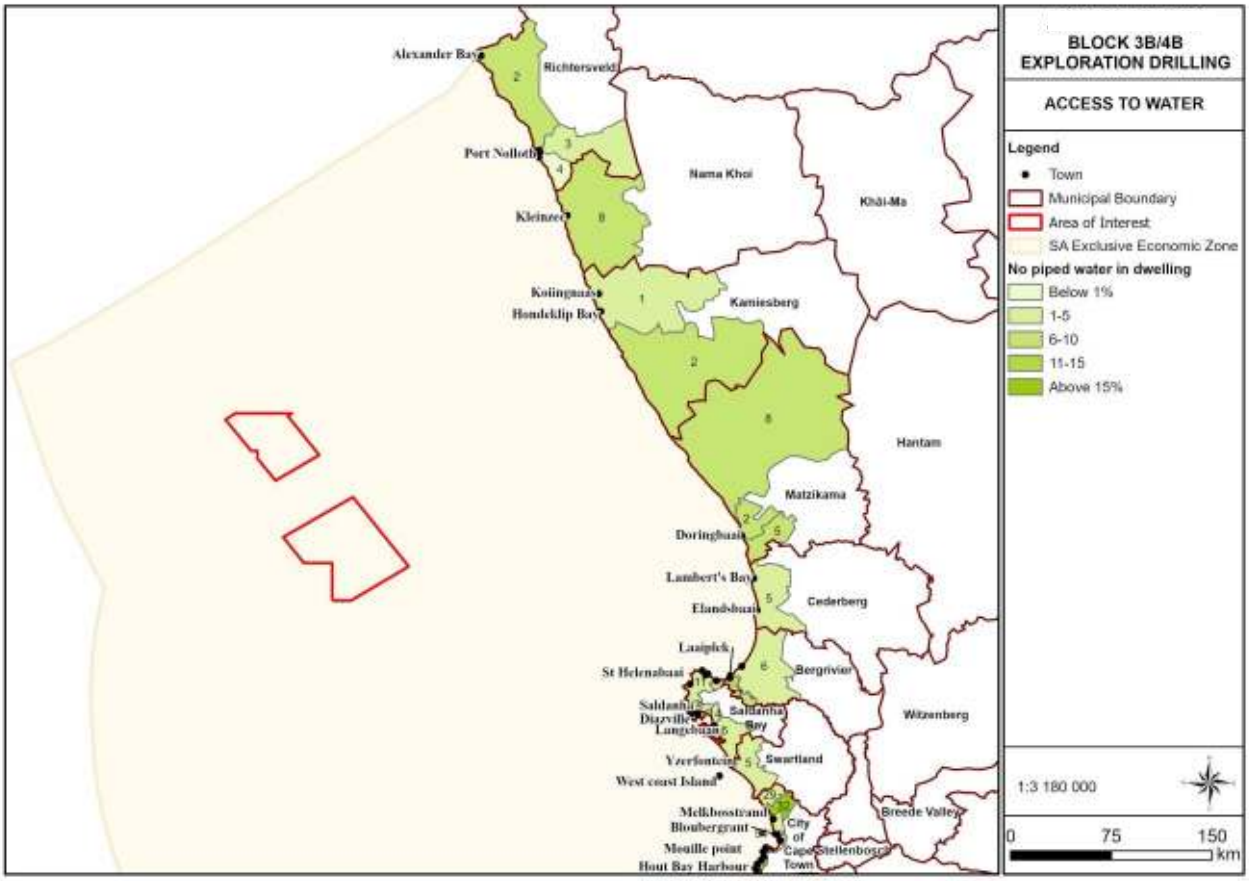
Access to piped water, electricity and sanitation relate to the domain of Living Environment Deprivation as identified by Noble et al (2006). Most households get their water from a regional or local water scheme, with the lowest incidence in Ward 1 of the Kamieskroon Local Municipality where Hondeklip Bay is located (Figure 17). Census 2022 shows that in all the local municipalities that are located in the Northern Cape, proportionately more households get their water from a regional or local water scheme. There is a similar trend for the local municipalities located in the Western Cape, except for the City of Cape Town Metropolitan and the Saldanha Bay LM where the proportions are slightly less.

Figure 17: Proportion of households that does not get water from a regional or local water scheme (shown in percentage, source: Census 2011).



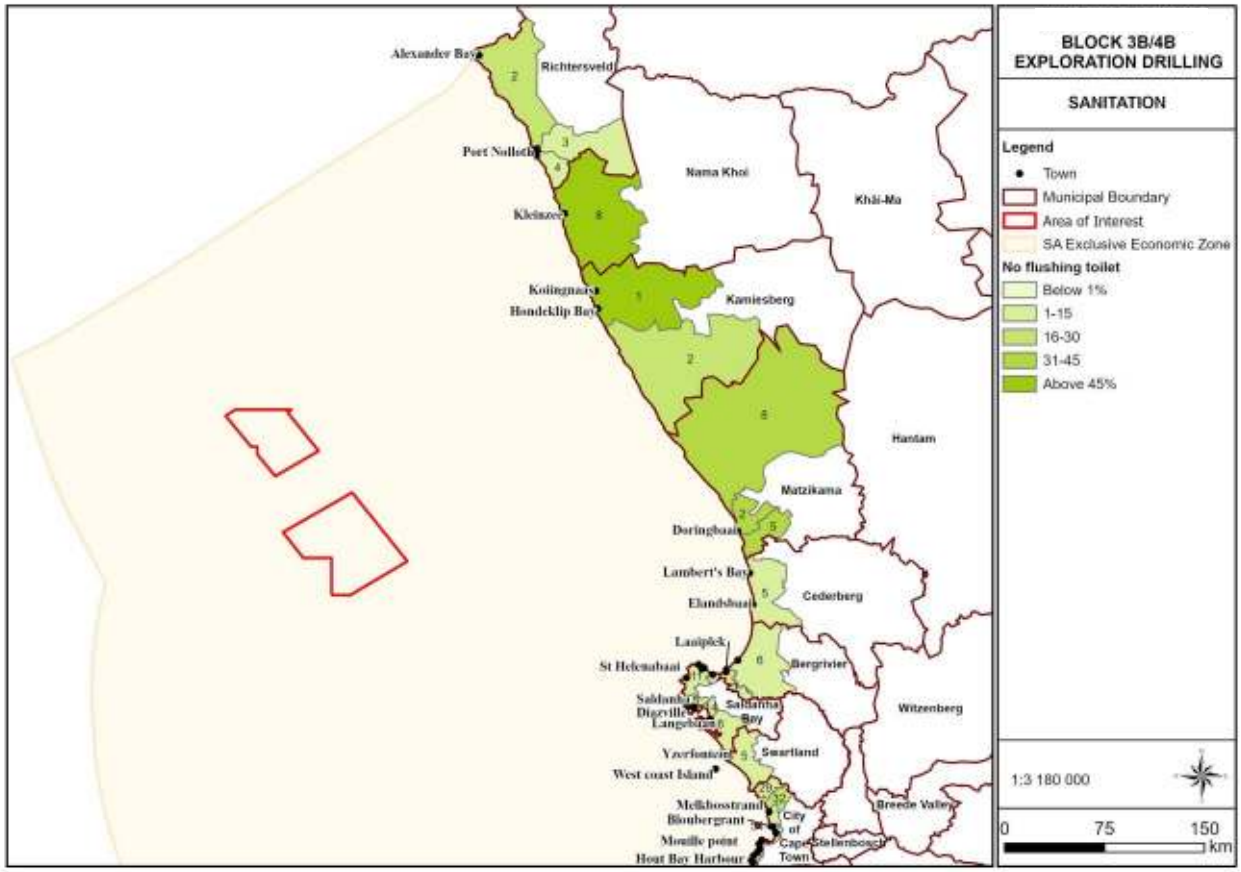
The incidence of access to piped water inside the dwelling varies and tend to be lower in the Northern Cape municipalities (Figure 18).

Figure 18: Proportion of households that does not have piped water in the dwelling (shown in percentage, source: Census 2011).



Access to a flush toilet is in general lower in the Northern Cape Municipalities (Figure 19). Census 2022 shows a great increase in the proportion of households with access to flush toilets that are located in the Northern Cape. In the Western Cape access to flush toilets have increased proportionally in all the local municipalities, except in the Saldanha Bay LM that showed proportionately less households with access to a flush toilet.

Figure 19: Proportion of households that does not have a flush toilet (shown in percentage, source: Census 2011).



5.2.9 Energy

Electricity is seen as the preferred lighting source (Noble et al, 2006) and the lack thereof should thus be considered a deprivation. Even though electricity as an energy source may be available, the choice of energy for cooking may be dependent on other factors such as cost. The majority of households have access to electricity for lighting purposes (Figure 20) but a lower proportion use electricity for heating (Figure 21) and cooking (Figure 22) purposes. Census 2022 shows proportionately less households use electricity as source of energy for cooking in both the Western Cape and Norther Cape local municipalities, while the use of gas increased significantly.

Figure 20: Proportion of households that use paraffin, candles, wood or nothing for lighting purposes (shown in percentage, source: Census 2011).

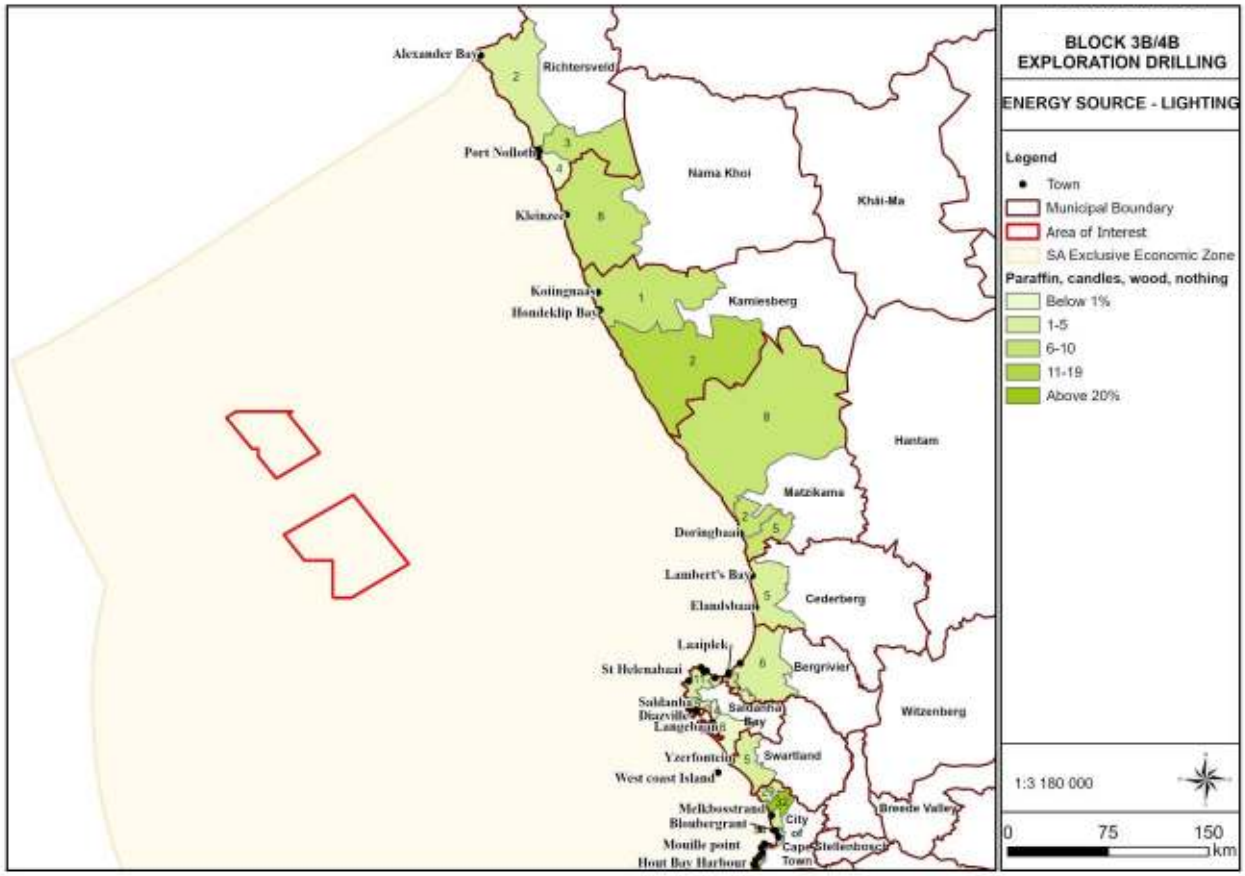


Figure 21: Proportion of households that use paraffin, wood, coal, dung or something else for heating purposes (shown in percentage, source: Census 2011).

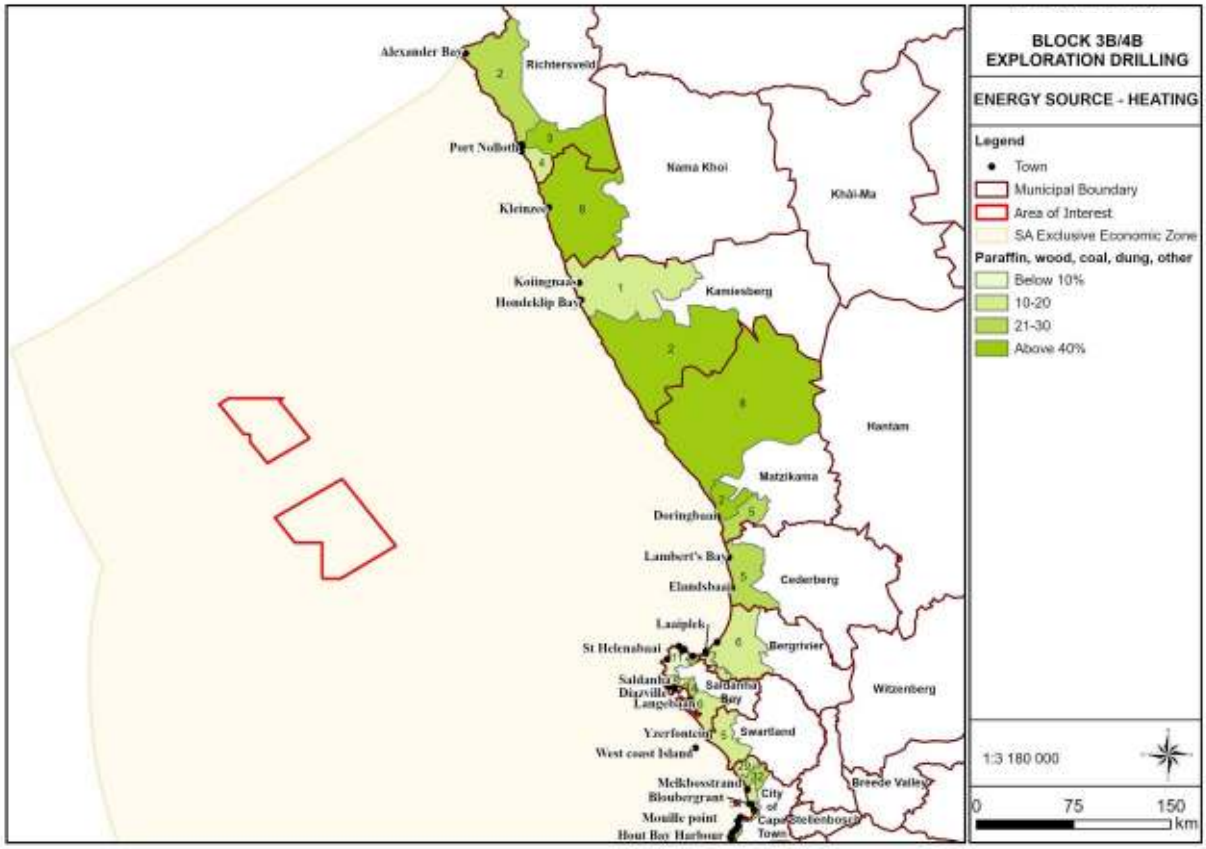
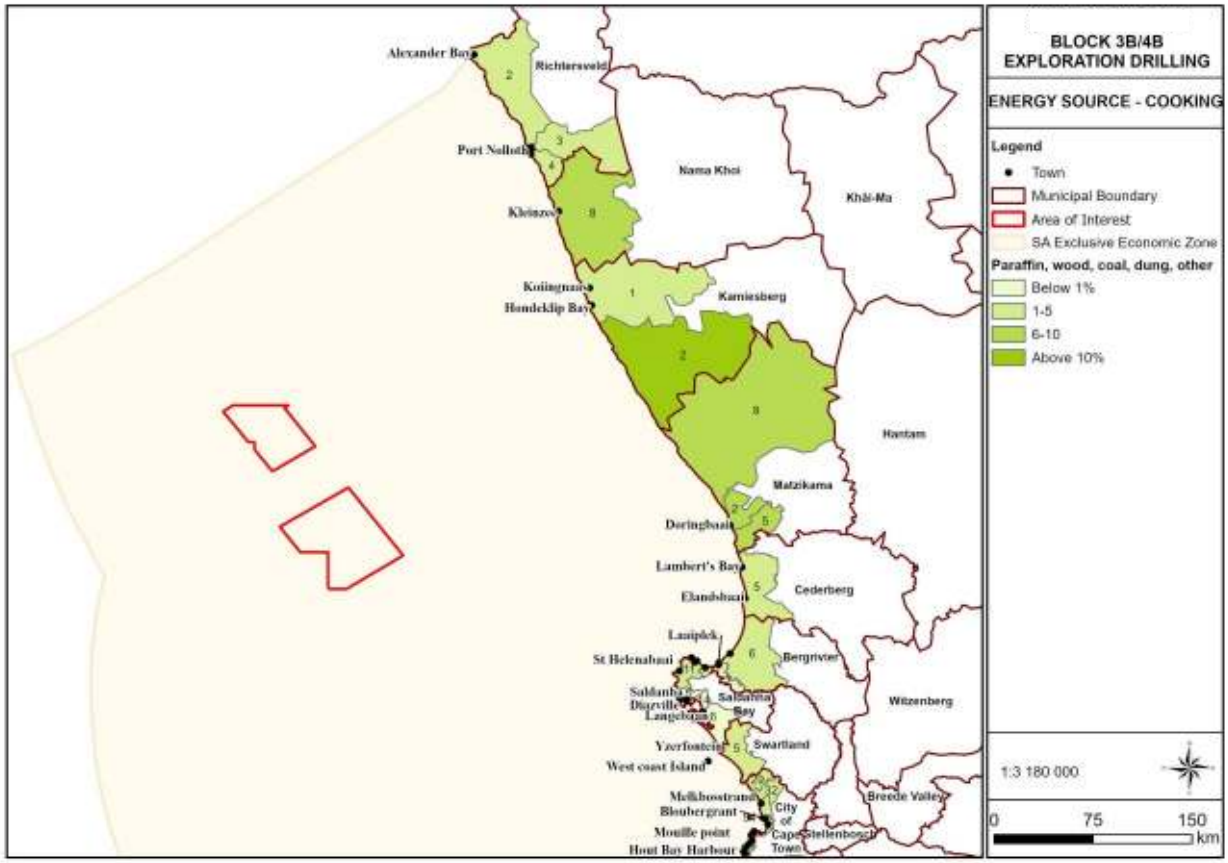


Figure 22: Proportion of households that use paraffin, wood, coal, dung or something else for cooking purposes (shown in percentage, source: Census 2011).



6 Stakeholder Identification and Analysis

6.1 Approach

Stakeholders include all individuals and groups who are affected by, or can affect, a given operation. Stakeholders consist of individuals, interest groups and organizations (Vanclay, Esteves, Aucamp & Franks, 2015). Stakeholder analysis is a deliberate process of identifying all stakeholders of a project - the individuals and groups that are likely to impact or be impacted by it - and understanding their concerns about the project and/or relationship with it (Vanclay et al, 2015). Stakeholder analysis assists the proponent with understanding the local cultural and political context. It is acknowledged that different stakeholder groups have different interests, and that there are individual differences within stakeholder groups. The purpose of this section of the report is to introduce the stakeholder groups that will be affected by the proposed projects. The following stakeholder groups were identified and their interest in the projects will be discussed briefly in the section below.

6.2 List of stakeholders

The following stakeholders that may have an interest in or affected by the proposed project have been identified:

Table 5: Detail of Stakeholder Groups.

Stakeholder Grouping	Organisation
Internal Stakeholders	
Africa Oil SA Corp Ricocure (Pty) Ltd Azinam Limited Eco Atlantic	Staff involved with the project
Government	
Governmental departments and directorates	• Western Cape Provincial Government • Northern Cape Provincial Government • Petroleum Agency of South Africa • Department of Environment, Forestry and Fisheries • Department of Mineral Resources and Energy • South African Navy Hydrographic Office (SANHO) • Namakwa District Municipality • West Coast District Municipality • City of Cape Town Metropolitan Municipality • Richtersveld Local Municipality • Nama Khoi Local Municipality • Kamiesberg Local Municipality

Stakeholder Grouping	Organisation
	• Matzikama Local Municipality • Cederberg Local Municipality • Bergrivier Local Municipality • Saldanha Bay Local Municipality • Swartland Local Municipality • South African Heritage Resources Agency (SAHRA)
State-owned entities and regulators	• Transnet National Ports Authority • South African Maritime Safety Authority
Business	
Fishing Industry	Fishing Industry associations Commercial fishing sectors: demersal trawl, midwater trawl, demersal hake longline, demersal shark longline, small pelagic purse-seine, large pelagic longline, tuna pole-line, traditional line fish, West Coast rock lobster, small-scale fisheries, beach-seine and gillnet fisheries (netfish), fisheries research
Petroleum and Gas Industry	Various companies that have expressed interest in oil or gas exploration in the West Coast area Companies conducting seismic surveys
Other industries	Industries providing support services such as equipment, fuel, accommodation, meals and other supplies
Environmental	
Environmental Interest groups	Green Connection Coastal Links We Are South Africans Protect the West Coast Friends of Verlorenvlei Other relevant environmental interest groups
Societal	
Social Organizations	Masifundise Development Trust Small-scale fisheries cooperatives such as Aukatowa small scale fisheries cooperative Small-scale fishing communities such as Steenbergs Cove ABALOBI Coastal Justice Network Community forums (e.g., employment, youth)
Residents/ Community	
Local coastal communities	Hout Bay, Saldanha Bay, St Helena Bay, Lambert's Bay, Hondeklip Bay, Port Nolloth, Velddrif, Paternoster, Jacobsbaai, Langebaan, Grotto Bay, Elands Bay, Strandfontein, Doringbaai, Yzerfontein
Local indigenous people	Nama, Khoi and San groups, including Cochoqua Tribal House, the Guriqua Tribe and the Katz Korana Royal House
Future generations	
Future generations	Future generations dealing with the impacts of fossil fuels on climate change

The identified level of interest of each stakeholder helps assist with designing the stakeholder engagement strategy for the project, and to decide how much time to devote to engaging with each stakeholder or group. The engagement levels required for each group of stakeholders as revealed through this analysis may be more than consultation, for example they may include partnerships, involvement in community development plans or community monitoring, strategic planning, or any other activity. Knowing the needs, issues and expectations of affected stakeholders assist with building and retaining good relationships with them, and with managing their expectations.

Table 6 below plots the stakeholders according to their ability to influence the company's activities (horizontal axis) and the degree to which they are affected by the proposed Applicants activities, whether the impact is social, economic, or environmental (vertical axis). In instances where the impact or influence is potentially significant individual stakeholder groups/organisations have been used. All other groupings are used in general.

Table 6: Stakeholder matrix.

Degree to which they are impacted on				
	High	Local coastal communities Local indigenous people Future generations	Fishing Industry	Africa Oil SA Corp Petroleum and Gas Industry
	Medium		Other industries Environmental Interest groups Social Organizations	Governmental departments and directorates State-owned entities and regulators
	Low			
		Low	Medium	High
		Ability to influence company's activities		

When considering the project affected stakeholders it is important to consider the potential impacts during and after exploration activities. The stakeholders that will be impacted on most but have the least ability to influence the company's activities are local coastal communities and indigenous people, who is also seen as the most vulnerable group. Their fears about future impacts and uncertainty about the potential impacts on their livelihoods

are already causing an impact on their emotional and physical wellbeing. One of the stakeholders verbalised it as follow:

> *"From our experience, the poorest and most affected communities are tired, frustrated and fed up. These West Coast communities have been severely impacted by the mining industry for the past 100 years. They were promised the world but, in the end, have been left destitute. If you consider that De Beers, Alexkor and Transhex all extracted much of their early wealth (billions upon billions) from this area, and you consider now what is left behind - a stretch of coastline that resembles the moon and communities that are some of the poorest in the country."*

There is a power imbalance between the Applicants and the local communities. It is therefore of great importance to communicate frequently with the communities in an open and honest manner to avoid a standoff. Communities are supported by environmental and social interest organisations, and these organisations have the ability to mobilise community activists and fund potential court cases.

The community perception is that the government has already decided that it will allow this and similar projects to continue. The government is seen as a powerful stakeholder with significant ability to influence the decision-making process.

The placement of stakeholders in the stakeholder matrix may change with time, and it should be revisited frequently.

6.3 Local Indigenous people

South Africa has many different cultural groupings, among which the Khoisan are regarded as the original inhabitants of South Africa. This is not a homogenous group, and consists of smaller groups such as the Khoi, San, Nama and Griekwa. This group were of the first South Africans to experience the brutality of colonial suppression by the Portuguese under the leadership of Bartholomew Diaz in 1488 (Klaasen, 2018). In 1657 the first farms were taken from them and given to the Dutch settlers. For the Khoisan, land was not a commodity, but an integral part of their identity. Land was not for the possession of any one person, but for the use of all living there, even if it did not belong to the original group within that particular territory. Different worldviews regarding land caused great conflict. The land issue and

identity of the Khoisan remained a contentious point right through the colonial and apartheid eras. The Khoisan were excluded through the controversial Restitution of Land Rights Act in 1994, as this only applied to land that were dispossessed after 1913. Their extended period of oppression excluded them from land claims, and as a result they were excluded from the reconciliation process post-apartheid. Nowhere in South Africa's Constitution of 1996 was there any space for groups like the Khoisan to reclaim dispossessed land. For the Khoisan land have both material and spiritual significance. The historical land issues are of great significance for the coastal communities.

The Khoisan's approach to culture is a holistic one. Aspects such as land, identity, leadership structures, language and religion are all inter-related. The early Europeans were prejudiced towards the Khoisan as the Khoisan seemed to have missed every standard that indicated what was regarded as civilization according to European standards (Boezak, 2017): a king, jurisdiction, laws, script, arts, agriculture, money, marriage, and religion. Despite scientific evidence supporting the Khoisan's claim that they are in fact South Africa's aboriginal people, the South African government has thus far not shown much political will to grant 'first nation' status to them. Their right to self-identification has been met with historical distortion and official denialism. After the abolishment of slavery, the free slaves and the Khoisan were all lumped together as the joint working classes and collectively called 'people of colour' (Boezak, 2017). Since 1948 the Apartheid regime continued to reclassify the majority of Khoisan people as 'Cape Coloured' and used the Group Areas Act of 1950 to forcefully remove them from their remaining ancestral land.

The historical context of the Khoi and the San groups must be taken into consideration in interpreting and understanding their concerns with reference to the proposed project Cultural heritage aspects are discussed in detail in the Cultural Heritage Impact Assessment (Boswell, 2023).

6.4 Community Survey

Abalobi Express (2023) conducted a survey amongst the coastal communities that have been identified as stakeholders. The report did not share the sampling frame or selection criteria and as such it is not known to what extent the results are representative of the communities. Given the sample size of 1 264 households, the results can be considered indicative of the

perceptions and opinions of the community members. The survey shows that there are great levels of poverty and unemployment in the community. Crime and socials ills such as drug abuse are among the other challenges that the communities face. There is a great need for infrastructure such as hospitals and schools, as well as youth programmes. These needs can be a starting point for socio-economic upliftment projects should this project proceed past the exploration phase.

The survey further shows that community members lost trust in local structures, with religious leadership being trusted the most, and political leadership being trusted the least. Approximately a third of respondents have indicated that they were aware of consultations around gas and oil exploration and less than 20% of all respondents indicated that they have ever attended consultation meetings. Approximately 8% of respondents indicated that they had a good understanding of the content presented at the consultation meetings. Approximately 75% of respondents indicated that they would be keen to know more regarding the issues surrounding oil and gas exploration. Approximately three quarters of the respondents indicated that they have very little to no trust in oil and gas companies, and more or less the same proportion indicated little to no trust in the Government. Just over half of the respondents were of the opinion that projects like these could contribute to socio-economic development. The majority of participants (64%) believed that the exploration of offshore oil and gas will have a direct impact on their communities, while about 23% believed it may have an impact.

7 Social risk

Social risk is a confusing term because it has different meanings in different discourses. In the SIA/corporate project discourse, 'social risk' is a largely similar concept to 'non-technical risk' and is the preferred term (Vanclay et al, 2015). The World Bank defines social risk as "the possibility that the intervention would create, reinforce or deepen inequity and/or social conflict, or that the attitudes and actions of key stakeholders may subvert the achievement of the development objective, or that the development objective, or means to achieve it, lack ownership among key stakeholders". For the Bank, social risk is considered to be both risk (threats) to the success of the project, but also risk (social issues) created by the project, which in turn become threats to the project. In a corporate setting, social risk can be regarded as the business risks (e.g. extra costs) to the company that arise from any social impacts or social issues created by the project, such as through unforeseen costs of mitigation, future litigation and/or compensation pay-outs, worker strikes, retaliatory acts of sabotage, and reputational harm (Vanclay et al, 2015).

Non-technical risks relate to the managerial, legal, social and political issues faced by a project, in contrast to the technical risks (i.e. the physical, structural, engineering and environmental risks). Non-technical risks are potentially serious financial risks to a project because of the protest actions local communities can take, and therefore should be considered and addressed (Vanclay et al, 2015).

Risk inevitably involves a concern with good and bad outcomes (Eiser, 2004). Such values will be implicit in any exchange. What any audience will be listening for is an indication of what they need to do – not simply for a prediction of what consequences may or may not happen, but also for an indication of how good or bad these consequences will be, and what they, or anyone else, is expected to do about it. The best way to communicate risk is to adopt a less didactic model of communication. It is already widely recognised that, to be effective, the communication of risks cannot be merely one-way. It must involve exchange and interaction between all parties. There are obstacles to putting such good intentions into practice. The 'experts' need to be prepared to give up not only time, but also some of their power (Eiser, 2004). The 'public' need to be willing to be engaged in the decision process and take some responsibility for the outcomes if these have been shaped to take account of their views. All

this can be costly, in terms of time, patience and the risk of disappointment if not everything one wants could be achieved. The real advantage over the traditional, less consultative, approach is that the debate or discussion can focus on what people want to know and issues of value, rather than merely probability can be considered (Eiser, 2004).

Stakeholder fatigue is a significant risk to the project. The risk of stakeholder fatigue arises when stakeholders are asked to participate in multiple duplicative and repetitive engagements by many companies operating independently, as has happened on the West Coast with seismic surveys and mining applications. This can result in lower levels of engagement from key stakeholders and, over time, only the stakeholders who are deeply interested, i.e. those strongly supportive or strongly opposed participate in the engagement processes. This stakeholder fatigue can hinder projects, and can particularly occur when stakeholders are consulted for their views but are not actively involved in decisions making (https://www.linkedin.com/pulse/your-stakeholders-getting-tired-you-alan-mee/). Another trigger for stakeholder fatigue is when promises are unfulfilled, and their opinions and concerns are not taken into consideration. Often stakeholders feel their lives are not improving as a result of a project and this can lead to consultation meetings being used as an area to voice complaints and grievances about the lack of development. This has been noted during the consultation process.

Meaningful stakeholder engagement is characterized by two-way communication based on the good faith of participants on both sides. Meaningful stakeholder engagement is proactive, responsive, and ongoing, and is often conducted before decisions are made.

For many people exploration for oil and gas is an emotional issue and goes much deeper than scientific research on potential impacts on the marine environment. For some people the core of the issue is the impact on their indigenous and culture rights, their customs and traditions and their livelihoods.

They are already aware of changes in the marine environment due to existing impacts such as shipping traffic, mining in the sea, climate change and over-fishing. Their concerns are related to the potentially negative impacts associated with the oil and gas industry, especially from an environmental perspective and the impact that using oil and gas will have on climate

change. They feel that South Africa must move away from fossil fuels and act in line with the government's policies and international commitments in this regard. There are also people with the opinion that a developing country like South Africa cannot afford to not explore for oil and gas. Their feeling is that the energy transition will take some time, and that oil and gas are better than coal mines.

The pictures below (Figure 23) were taken at African Energy Week that took place in Cape Town in October 2023. It shows communities protesting against oil and gas (provided by a member of the fishing community), and communities welcoming oil and gas (as portrayed in the media). Allegations were made that the protesters welcoming the oil and gas were bussed to the event and paid R200 for their participation (https://www.dailymaverick.co.za/article/2023-10-19-fake-supporters-welcome-climate-change-denialist-to-africa-energy-week-in-cape-town/). The photographs illustrate the complexity of the current socio-economic conditions in South Africa, where basic needs of millions of people are not met – both groups are acting in what they think is in the best interest of protecting their livelihoods and investing in the future.

Figure 23: Communities for and against oil and gas.

It is a contentious issue that can potentially cause damage to the social fabric of local communities, but also lead to civil unrest and reputational damage. From a social perspective

these social risks must be highlighted. In the current socio-economic environment associated with the project area, there are significant non-technical risks associated with oil and gas exploration, irrespective of the company that will conduct the exploration.

Table 7: Summary of potential social risks for the proposed project

Risk	Source	Motivation
Opposition to the project through appeals and court cases causing a significant delay in the process	Local indigenous communities and fishers Environmental NGOs Social Justice groups	During the SIA consultation process and as seen in the South African press it was clear that some community members, NGOs and Social Justice Groups will not welcome oil and gas exploration in South Africa. These stakeholders may want to appeal the outcome of the EIA process and will resort to legal means if required because they know that resources are available to them from NGOs. These appeals and legal processes may cause a significant delay in the authorisation process which will have knock on effects.
Damage to corporate reputation	Local indigenous communities and fishers	Given the controversy and emotions surrounding the oil and gas industry, the Applicants' corporate reputations can be damaged if communities feel that the process has not been conducted in what the communities see as a meaningful manner. This may impact the Applicants on an international level, as rights groups may be concerned about grassroots impacts, human rights and social and environmental justice, and the shares are influenced negatively.
Lack of social license to operate	Local indigenous communities and fishers Environmental NGO's Social Justice groups	Coastal communities had negative experiences with mining companies that did not deliver on promises made in the past. According to some community members they are tired of empty promises about jobs and development, and is reluctant to trust any developer coming into the area with undertakings of development. They question the potential outcomes of the oil and gas industry's involvement in the area, due to negative reports from other African countries where only a few privileged people benefitted, but the majority of the population still lives in abject poverty. Community members expressed misgivings about the government and its ability to protect their

		interest.
Community protests and potential for civil unrest	Local indigenous communities and fishers Environmental groups	Communities feel angry and disempowered on many levels. Several coastal communities expressed their frustration with the government and its support for the extractive industries, while their basic needs are not met, and they feel that their livelihoods are threatened. There are also a difference in opinion about the acceptability of oil and gas exploration that is threatening community cohesion. The communities communicate with each other via WhatsApp groups, and there is a strong possibility of social mobilisation that can lead to civil unrest and worst case scenario to violent protests.
Stakeholder fatigue	All stakeholders	Many stakeholders expressed that they are fed up with the avalanche of meetings that they have to attend. Attending meetings cost money to get there, and time that they could have earned a livelihood. Other stakeholders expressed that they cannot fight oil and gas because they know they are wasting their time and that the government will approve it in the long run.

Social risk's population-based nature sets it apart from traditional risk events such as cyberattacks, workplace safety incidents, and natural disasters. Traditional risk events impact a distinct set of people, while social risk can impact broad segments of society.

Social risk has five characteristics (Ludke, 2021):

- **Human.** Traditional forms of risk most often manifest themselves because of a discrete event or incident. Social risk is built on who we are as human beings and shaped by socio-economic status, social mobility, community environment and mental health.

- **Dynamic**. Social risk is always evolving and formed by how people react to events and ideas. For example, social risk is not necessarily the pervasive nature of socio-economic inequalities in the global economy, it is how the population react to these inequalities.

- **Dispersed.** Social risk is a consequence of today's connected society where nearly everyone has the ability to increase their voice through technology and networks of family, friends, colleagues, and social media followers.

- **Distinctive**. Social risk is unique to each organization because it forms as humans organically react to events and ideas, no two social risk events are alike.

- **Scalable**. Social media platforms amplify public conversations. This accelerates social risk as it can scale very quickly from an isolated idea or conversation into a broader movement.

If the Applicants choose to identify and mitigate social risk, the following general recommendations should be considered and included in the stakeholder engagement strategy:

- **Create an ecosystem of diverse partners**. A diverse ecosystem will create an "early warning system" to help identify social risk before it manifests as a threat or crisis—-provided you stay engaged with this ecosystem in a genuine dialogue.

- **Ask, don't tell**. When developing a social risk management strategy, getting honest feedback can help you avoid pitfalls and build credibility. Similar to engaging partners, this must be approached by listening rather than telling.

- **Communicate constantly**. In an age of social risk, communicating is not about pushing information to audiences. Rather, it is a methodical approach to all facets of a communications strategy that fosters dialogue.

- **Act with humanity**. Social risk is driven by human emotions that must be respected and appreciated.

Addressing social risk requires looking at its causes from a systemic standpoint, not on an event-by-event basis. The solutions must be focused on the same societal level as its causes, including poverty, injustice, inequality, or misinformation. Social risk touches all of society, and it comes from the perceptions and beliefs all humans have.

8 Description of potential impacts

8.1 Social Impact Assessment

> *"Almost all projects almost always cause almost all impacts. Therefore, more important than predicting impacts is having on-going monitoring and adaptive management."* Frank Vanclay

A social impact is something that is **experienced** or **felt**, in a **perceptual** or **corporeal** sense at the level of an individual, social unit (family/household/community) or community/society (Vanclay et al, 2015). A perceived impact is something that is believed to be a potential impact rather than something that has been established as being an actual impact. Note that perceived impacts affect how people feel about the project and how they feel and behave generally, thus for stakeholders their perception is their reality.

Considering the statement above, it must be considered that some social impacts will not be discussed in detail and that the focus will be on the most severe impacts. Nevertheless, it must be considered that the social environment is dynamic and adapts to change. The focus should be on the active management of social impacts rather than on the prediction and once-off mitigation thereof. Successful mitigation and management of social impacts requires long-term commitment and involvement and should form part of the strategic planning and management of the project until decommissioning. Suggestions for the management of social impacts are included in the report. The implementation of the relevant management suggestions should start as soon as possible since the social impacts of the project started when the project was announced. Another important consideration in this project is the social context in which it will be executed. Impacts are assessed from a community perspective, and where it will influence a specific group of stakeholders it will be indicated as such. An attempt was made to simplify the impact assessment and to focus on aspects that can aid the decision-making process.

Social impacts are the result of social change, and to fully understand the potential impacts it is important to know the impact pathways. A social change process is a discreet, observable, and describable process that changes the characteristics of a society, taking place regardless of the societal context (that is, independent of specific groups, religions etc.). Social change

processes can be measured objectively. The way in which social change processes are perceived, given meaning, or valued, depend on the social context in which various societal groups act. Some groups in society are able to adapt quickly and exploit the opportunities of a new situation. Others (e.g. vulnerable groups) are less able to adapt, and will bear most of the negative consequences of change. These social change processes may, in certain circumstances and depending on the context, lead to the experience of social impacts. Social impacts are therefore completely context dependent (Vanclay, 2003).

8.2 Impact assessment criteria

It must be stated that the impact tables and ratings were adapted from the environmental sciences and that it is not always possible to compartmentalise the social impacts. For the sake of consistency this has been attempted, but it is not innate to social sciences. Allowance for the changing and adaptive nature of social impacts should be made when interpreting the impact tables.

The rating criteria used in determining the significance ratings are summarised in the tables below:

Table 8: Criteria for determination of impact consequence.

Aspect	Score	Definition
Nature	- 1	Likely to result in a negative/ detrimental impact
	+1	Likely to result in a positive/ beneficial impact
Extent	1	Activity (i.e. limited to the area applicable to the specific activity)
	2	Site (i.e. within the development property boundary),
	3	Local (i.e. the area within 5 km of the site),
	4	Regional (i.e. extends between 5 and 50 km from the site
	5	Provincial / National (i.e. extends beyond 50 km from the site)
Duration	1	Immediate (<1 year)
	2	Short term (1-5 years),
	3	Medium term (6-15 years),
	4	Long term (the impact will cease after the operational life span of the project),
	5	Permanent (no mitigation measure of natural process will reduce the impact after construction).
Magnitude/ Intensity	1	Minor (where the impact affects the environment in such a way that natural, cultural and social functions and processes are not affected),

	2	Low (where the impact affects the environment in such a way that natural, cultural and social functions and processes are slightly affected),
	3	Moderate (where the affected environment is altered but natural, cultural and social functions and processes continue albeit in a modified way),
	4	High (where natural, cultural or social functions or processes are altered to the extent that it will temporarily cease), or
	5	Very high / don't know (where natural, cultural or social functions or processes are altered to the extent that it will permanently cease).
Reversibility	1	Impact is reversible without any time and cost.
	2	Impact is reversible without incurring significant time and cost.
	3	Impact is reversible only by incurring significant time and cost.
	4	Impact is reversible only by incurring prohibitively high time and cost.
	5	Irreversible Impact

Table 9: Probability scoring.

Aspect	Score	Definition
	1	Improbable (the possibility of the impact materialising is very low as a result of design, historic experience, or implementation of adequate corrective actions; <25%),
	2	Low probability (there is a possibility that the impact will occur; >25% and <50%),
	3	Medium probability (the impact may occur; >50% and <75%),
	4	High probability (it is most likely that the impact will occur- > 75% probability), or
	5	Definite (the impact will occur),

Table 10: Criteria for the determination of prioritisation.

Aspect	Score	Definition
Cumulative Impact (CI)	Low (1)	Considering the potential incremental, interactive, sequential, and synergistic cumulative impacts, it is unlikely that the impact will result in spatial and temporal cumulative change.
	Medium (2)	Considering the potential incremental, interactive, sequential, and synergistic cumulative impacts, it is probable that the impact will result in spatial and temporal cumulative change.
	High (3)	Considering the potential incremental, interactive, sequential, and synergistic cumulative impacts, it is highly probable/definite that the impact will result in spatial and temporal cumulative change.
	Low (1)	Where the impact is unlikely to result in irreplaceable loss of resources.

Irreplaceable loss of resources (LR)	Medium (2)	Where the impact may result in the irreplaceable loss (cannot be replaced or substituted) of resources but the value (services and/or functions) of these resources is limited.
	High (3)	Where the impact may result in the irreplaceable loss of resources of high value (services and/or functions).
Degree of Confidence	Low	<30% certain of impact prediction
	Medium	>30% and <60% certain of impact prediction
	High	>60% certain of impact prediction

8.3 Existing and cumulative impacts

Cumulative impacts are the impacts which combine from different projects that result in significant change, which is larger than the sum of all the impacts. The projects that need to be considered are from past, present, and reasonably foreseeable future development.

From a social perspective it is not possible to pinpoint which percentage of any given impact result from a specific activity or proponent. For example, agricultural, tourism and mining activities may cause an influx of people into an area due to the possibility of employment creation. It is not possible to say, for example, that 30% of people moving into the area looked for an agricultural job, 60% for a mining job and 10% for a tourism job. It is possible to say that all these industries contributed to the honeypot effect (project-induced in-migration where people move to the project site in search of work or economic opportunities that arise from the project) that compounded unemployment in the area. The following are identified as existing activities/phenomena leading to impacts that are experienced in the communities:

8.3.1 Mining

There are significant current and historical mining taking place on the West Coast. This includes diamond mining, sand mining and rare earths, amongst others. The mining activities caused environmental degradation, an influx of people and unemployment when the mines close. Many community members referred to the inability of the mining industry to fulfil promises made to the communities:

> *"From my experience, and apart from a few leaders that can be persuaded and bought, these communities are tired of smoke and mirrors and have now had enough of these destructive and extractive industries and all the broken promises that come with them and are looking to NBS (Nature based solutions) as a way forward."*

Other community members claimed that men find it especially hard to find jobs. Many of them used to be employed by the mining industry, and with mines closing they have no alternative source of income. If people open businesses and it is successful, they are copied, and soon there is an oversupply of businesses, for example building contractors.

In Port Nolloth, one of the community members explained that diamond mining (legal and illegal) keeps the economy of the town alive. Flowers and fishing are seasonal activities. The community member stated that even if people make money in the diamond industry, they are not educated on how to spend the money wisely, and within a few months they are without money again.

There are also illegal mining taking place in some areas, such as Kleinzee. The existing mine attempts to control this, but with limited success. In August 2023, 13 illegal miners died at Kleinzee when the tunnel that they are working in collapsed. In September 2023, 867 persons, many foreign miners who were not legally in South Africa, were arrested at Kleinzee and their equipment and implements were confiscated (https://www.news24.com/news24/community-newspaper/noordkaapbulletin/hundreds-of-illegal-miners-arrested-on-nc-coastline-20230920). However, two days after the arrests, community members reported that miners were returning to the area. The presence of illegal miners can be attributed to the socioeconomic conditions in the country and the extreme levels of poverty and unemployment.

Current impacts of mining include:

- Damage to biodiversity in sea and on land impacts on the livelihoods of affected stakeholders.
- Lack of rehabilitation leading to impacts on livelihoods and tourism.
- Abandoned socioeconomic projects resulting in mistrust of any new developers.
- Unemployment due to boom-bust cycles.
- Influx of illegal miners and their families putting pressure on social infrastructure and creating safety issues in the communities.

It is not estimated that this specific project will contribute significantly to these impacts. Where there is a cumulative impact, it has been assessed and mitigation suggested in Section 8.4 of the report.

8.3.2 The fishing industry

Traditionally, fishing has been part of the lives of West Coast communities. The fishing industry consists of commercial, small-scale, subsistence and recreational fishers. Illegal, unregulated, and unreported fishing and environment degradation are some of the severe challenges the fishing sector is facing. Small-scale fishers were only recognized under South African law since 2007. The fisheries were managed through individual transferable quotas. The aim of this system was supposed to open market access for previously disadvantaged people. However, most fishing rights were (and are still) allocated to the commercial sector, few artisanal fishers were granted rights, and their quotas were low (Schneider, 2023). South African waters are over-fished and some species like rock lobster are reported to be close to extinction. According to the Department of Environment Forestry and Fisheries (2020) several fish species are being overfished and some stocks have collapsed. Half or 50% of South Africa's fish stocks are of concern with 22% considered heavily fished and 25% considered heavily depleted.

Climate change, mining, exploration, marine transport, ports, and marine protected areas also compete with the fishing industry for space. There are thus existing impacts on the fishing industry across the board, with the most significant impacts on small scale fishers who have limited livelihood alternatives.

Current impacts of the fishing industry include:

- Decrease in the availability of fish impacting on the livelihoods of small-scale fishermen.
- Shrinkage of areas where the fishers can catch fish, impacting on their livelihoods.
- Increase in other marine activities impacting on the ability to make a living from fishing.

- Environmental and climate change impacts that influence the behaviour of the fish, meaning that fishers must develop alternative livelihood strategies.

- Governance of the industry and fishing quotas making it difficult for small-scale fishers to survive.

- Cultural and societal changes making the fishing industry less attractive to the youth. The result is that young people either leave the area or end up unemployed.

It is not estimated that this specific project will contribute significantly to these impacts. Where there is a cumulative impact, it has been assessed and mitigation suggested in Section 8.4 of the report.

8.3.3 Climate change

The National Oceanic and Atmospheric Administration (2017) have determined that the average sea surface temperature has been consistently higher during the past three decades than at any other time since reliable observations began in 1880. Many of the stakeholders that were consulted reported that they already observe changes in the marine environment. One stakeholder reported schools of orcas near Elandsbaai in October 2023, increased observations of penguins and other species of dolphins that they have never seen before.

Lutchminarayan (2020) reported that climate change research conducted by the World Wildlife Foundation (WWF) asked South African fishers to list the changes that they experienced in the last 10 years. Some observations listed in these workshops included:

- Decrease in fish availability, either due to a decrease in fish abundance or the change in fish distribution (further offshore or deeper).

- Changes in trophic relationships, either regarding fish predators or seabirds.

- In South Africa, fishers remembered seeing fewer seabirds.

- Changes in seasonality and species life cycle, inducing disturbances in fishing practices.

- Some species being found in different places at the same time of the year, pushing fishers to travel further to catch the fish. This already happening with snoek along the South African coast.

Therefore, the impact of climate change is already experienced on the West Coast. Current impacts of climate change include:

- Due to a decrease in the availability of the fish, people struggle to make a livelihood from fishing.

- Extreme climate events such as droughts and floods have an impact on poor and vulnerable people, who are less resilient and struggle to get back on their feet after the event. It causes a downward spiral of poverty.

It is not estimated that this specific project will contribute significantly to these impacts, as discussed in the Climate Change Assessment that was done as part of the EIA process. Where there is a cumulative impact, it has been assessed and mitigation suggested in Section 8.4 of the report.

8.3.4 Governance

There are existing governance issues in South Africa including corruption and mismanagement in government, political interference, lack of accountability, significant unemployment, violent crime, insufficient infrastructure, and poor government service delivery to impoverished communities (https://www.trade.gov/country-commercial-guides/south-africa-market-challenges; Mamokhere,2023).

Harvey (2021) describe governance as follow:

> *"Governance is about who gets what, when and how. Essentially, it has to do with the authoritative allocation of resources. The state's primary responsibility is to govern capably, to allocate resources equitably and efficiently. If it does not, failure ensues, and sinister insurrections gain traction."*

Despite the South Africa's progressive Constitution and legislative framework, the implementation of the legislation is sometimes lacking. Many stakeholders have expressed

their distrust in the ability of the government to implement the laws of the country, especially in light of legacy impacts of mining on the West Coast of South Africa. The fears of the stakeholders are reflected in media reports. In a policy brief about *Trust in the Government* (DPME,2021) it is reported that South Africans have a consistently low trust in the government. The lack of trust in the government undermines their ability to intervene and deliver better policy outcomes.

South Africa is a rich country with significant mineral resources, but despite that the majority of the population lives in poverty. This proves that revenues do not automatically transform poor economies into thriving ones, except if the revenue is efficiently managed, effectively redistributed, and properly harnessed for diversified local investments. Stakeholders expressed reservations about the potential positive economic impacts of oil and gas on the affected communities given the current challenges with governance. They fear further marginalisation due to unequal representation in political decision-making.

Current impacts of governance issues include:

- High levels of unemployment in project-affected areas.
- Lack of service delivery – in some areas such as Port Nolloth there are issues with water.
- Lack of access to social infrastructure such as schools, clinics, hospitals, police stations and government offices.
- Lack of road maintenance.
- Political interference and power imbalances – certain agendas are pushed by politicians, even if community members disagree. This damage the social fabric of the communities.

It is not estimated that this specific project will contribute significantly to these impacts. Where there is a cumulative impact, it has been assessed and mitigation suggested in Section 8.4 of the report.

8.3.5 Poverty, inequality, and unemployment

South Africa has one of the highest levels of inequality in the world (Seekings, 2023). Income inequality is concerned with the degree to which income is distributed in an unequal manner amongst a population. Inequality of opportunities occurs when people, either because of circumstances or discrimination, are denied access to basic necessities such as water, sanitation, shelter, energy, healthcare or education (UNDP, 2014). Many of the towns on the West Coast reflect this inequality and have less affluent areas with permanent residents, and affluent areas with holiday homes and a few permanent residents. In some cases, the fishers moved inland (e.g. Elim) because the towns have been taken over by tourism and people from other areas that moved there because of a quiet lifestyle.

The country's unemployment rate is 32,6%, with an employment rate of 29,6% in the Northern Cape and 20,9% in the Western Cape (StatsSA, 2023). Youth aged 15-24 years and 25-34 years recorded the highest unemployment rates of 60,7% and 39,8% respectively. These unemployment rates are reflected in the project-affected communities. The fact that fishing is a seasonal activity and the declining fish stocks exacerbate the problem. The fluctuations in the mining industry also had an impact on unemployment. The communities in the project area are poor, marginalised, and desperate for work. Parents are concerned about the future of their children. It is not only a lack of income that makes people in the project area poor. Sen (in introduction to Green, 2008:ix) makes the following statement about poverty:

> *"The classic view that poverty is just a shortage of income may be well established in our minds, but ultimately we have to see poverty as unfreedoms of various sorts: the lack of freedom to achieve even minimally satisfactory living conditions. Low income can certainly contribute to that, but so can a number of other influences such as the lack of schools, absence of health facilities, unavailability of medicines, the subjugation of women, hazardous environmental features, and lack of jobs (something that affects more than the earning of incomes). "*

Communities in the project affected areas already suffer from unfreedoms of all sorts, and it is in this context that any potential new development must be considered. Given that the population in the Richtersveld Local Municipality more than doubled and have increased with more than 40% Nama Khoi LM and the Kamiesberg LM in the Northern Cape Province; and has increased with more than 50% in Saldanha Bay LM in the Western Cape since 2011, it can be assumed that the competition for resources have increased. This means that already limited resources and opportunities have to meet the need of an increasing number of people, which can enhance the downward spiral of poverty.

Current impacts of poverty, inequality and unemployment include:

- People are desperate to feed their families, and therefore accept any development that can potentially change their circumstances without considering the future implications.
- Many people depend on social grants to survive, placing a burden on the state and local economic development.
- Shortage of basic services due to influx of people looking for new opportunities.
- Lack of opportunities for the youth to escape the poverty cycle.

It is not estimated that this specific project will contribute significantly to these impacts. Where there is a cumulative impact, it has been assessed and mitigation suggested in Section 8.4 of the report.

8.3.6 Gender

Gender is a relational term that includes both women and men. It is used to describe socially determined differences between women and men, such as roles, attitudes, behaviour, and values in a given context. Gender is not synonymous with women, gender equality is not only a women's issue, and both women and men must be involved to advance gender equality (UNDP, 2015).

More than half (51,1%) of the South African population are female and, according to the General Household Survey (GHS) 2021, more than two-fifths (42,0%) of households are

headed by females. Women in SA are more likely to be unemployed than men and are less likely to participate in the labour market than their male counterparts (StatsSA, 2022). In addition, women and girls carry most of the care and domestic burden, are less likely to be employed in the formal sector (and where they are employed, earn lower wages), are less likely to be able to influence government policy, and experience high levels of violence (Unicef, 2023). In 2018, 13.1% of women aged 15-49 years reported that they had been subject to physical and/or sexual violence by a current or former intimate partner in the previous 12 months. Also, women and girls aged 10+ spend 15.6% of their time on unpaid care and domestic work, compared to 6.5% spent by men.

Women in the South African small-scale fisheries sector has made substantive yet undervalued contributions. The South African fisheries sector has been historically characterized by a sharp gendered division of labour, in which women were expected to fulfill most of the pre-and-post harvest activities, whereas men performed most of the work at sea (Harper, 2019). Women, especially from poor coastal communities of South Africa, continue to face gender-specific challenges that deny them equality of access to marine resources and the benefits therein (Cele, 2020). Some of the challenges that the women face include:

- Cultural exclusions prescribing what type of work women can do.
- Lack of control over their labour and income (all income earned are given to the man as head of the household).
- Women often receive less pay than men for the same work.
- Their work is under-valued.
- They lack resources such as capital and/or education to improve their livelihoods.
- Family responsibilities may prevent them from taking full advantage of opportunities.
- They tend to have limited decision-making power in fisheries governance institutions, communities and even their own households.

Therefore, the challenges experienced in the fishing industry (See Section 8.3.2) are even more pronounced for women. It is not estimated that this specific project will contribute significantly to the current challenges that women experience. However, the vulnerability of women to social impacts and change must always be considered, especially in the long run.

8.4 Social impacts and mitigation specific to the proposed exploration in Block 3B/4B.

This section describes and assesses the specific social impacts that will be associated with the proposed exploration in Block 3B/4B. It must be recognised that the exploration phase will be short (between 60 and 90 days per well) and only 1 to 5 wells will be drilled > 180 km offshore. Should the exploration be successful, another SIA will be conducted to investigate the impacts of production. When the mitigation and management of social impacts are considered, one must consider that social impacts occur in communities surrounding the proposed project, and although the project proponent may be the catalyst for some impacts, there may be a number of external factors contributing to the impact. Many of these factors are outside the control of the project proponent. The proponent cannot mitigate many of the social impacts alone, and partnerships with local government and Non-Profit Organisations are often required. Social impacts must be managed in the long term. This complex process requires insight in the social environment and community dynamics. The social environment adapts to change quickly, and social impacts therefore evolve and change throughout the project cycle.

Sources of social impacts are often not as clear-cut as those in the biophysical environment. Mitigation measures are context specific and the mitigation measures in this report should be viewed as guidelines.

8.4.1 Impact on livelihoods

Since the on-board exploration activities undertaken as part of this project are largely automated, job creation and skills development opportunities will be minimal during the exploration phase. Fishers are concerned that there may be oil spills or unplanned events that can cause pollution. They fear that the pollution plumes may extend to their fishing areas and impact negatively on their livelihoods. They are also concerned about damage to equipment, health and safety of the fishers and noise and light pollution

Table 11: Potential mitigation for impacts on existing livelihoods.

No	Mitigation Measures	Phase	Timeframe	Responsible party for implementation	Monitoring party (frequency)	Target	Performance indicators (monitoring tool)
1	The Applicant is to submit all forms of financial insurance and assurances to PASA to manage all damages and compensation requirements in the event of an unplanned pollution event.	Planning	Throughout the exploration phase	Applicant	Once off	Protect applicants and communities from potential losses.	Insurance policy
2	If there are actual losses due to the activities performed by the Applicants, the claimants should be compensated for their losses at market rates. The Applicants must have a claims procedure appropriate to their activities. Compensation should follow the international standards such as the IFC principles, which states that market related prices should be paid, and if anything is restored, it must be to the same or better standards than before	Operation	Throughout the exploration phase	Applicant	ECO – As required – claims submitted in terms of the claims procedure.	Ensures that project affected stakeholders do not suffer actual losses because of the exploration.	Claims register Completed claim forms
3	The Applicants must have an oil spill response plan in line with international requirements	Planning Operation	Throughout the exploration phase	Applicant	Once off	Ensure any spills can be cleaned up promptly	Oil Spill Response Plan

8.4.2 Impact of well blow out on the fishing industry (worst case scenario)

Livas (2023) modelled oil spill scenarios during four quarters: Quarter 1 (Q1) January to March, Quarter 2 (Q2) April to June, Quarter 3 (Q3) July to September and Quarter 4 (Q4) October to December. According to the Marine Ecology Assessment (Pisces, 2023) and Fisheries Baseline and Impact Assessment (CapMarine, 2024) The worst-case scenario of an unplanned large crude oil blowout could have a high impact on the fishing industry and marine ecology. This may include an impact on international waters (Namibia) and impacts on the shoreline north of Saldanha Bay. Should a major blow out occur it will have severe short to medium term impacts on the livelihoods of people depending on the fishing industry. However, the likelihood of this impact is very low.

Table 12: Potential mitigation for impacts of a well blow out on the fishing industry.

No	Mitigation Measures	Phase	Timeframe	Responsible party for implementation	Monitoring party (frequency)	Target	Performance indicators (monitoring tool)
1.	In the case of a severe unplanned oil blow out causing actual losses in national and international waters and shores international conventions and procedures must be considered. South Africa and Namibia have Oil Spill Contingency Plans and are signatories of the International Convention on Civil Liability for Oil Pollution Damage, 1992 (CLC Protocol of 1992) and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992 (IOPC, Fund Protocol of 1992). The IOPC produced a Claims Manual (2005) that contains specific information on claiming procedures. These claims could include loss or damage to property, fishing nets, loss of livelihood etc, resulting from the discharge of oil from an offshore installation and also damage or loss caused by methods used to clean up polluted areas. Depending on the nature of the claim, the following information may be required: • Nature of loss, including evidence that the alleged loss resulted from the contamination. • Monthly breakdown of income for the period of the loss and over the previous three years. • Where possible, monthly breakdown of units (for example kilograms of fish caught and sold or number of hotel	Operation	When needed	Applicant DEA	Once of when needed	Compensate for losses in case of a severe unplanned oil blow out.	Official documentation as required

	rooms let) for the period of the loss and over the previous three years. • Saved overheads or other normal variable expenses. • Method of calculation of loss.						

8.4.3 Uncertainty/Confusion

During the last few years several companies conducted community consultation processes on the West Coast. These processes included seismic surveys and exploration processes. Communities seem to confuse exploration drilling with production drilling. The timeframes for different activities add to the confusion. Although the environmental authorisation processes are guided by the National Environmental Management Act, some community members experience this phased process as a way to try and "soften" the communities, which in turn leads to mistrust. Some community members said that they feel as if a decision has already been made, and the Applicants are just going through the motions. It is perceived that their participation will therefore not make a difference. Although, the Applicants are not the source of the confusion, uncertainty/confusion in the communities can impact on the Applicants' social license to operate and the general wellbeing of the communities.

Given that oil and gas development is relatively new and controversial in South Africa, it is important to ensure that communities are informed throughout the process, starting with the seismic survey process, continued during the exploration phase and operation phase, should the development be approved. There have been opposition and protests against the industry, and therefore it is important to earn the trust of the communities and involve them.

Table 13: Potential mitigation for impacts related to uncertainty/confusion.

No	Mitigation Measures	Phase	Timeframe	Responsible party for implementation	Monitoring party (frequency)	Target	Performance indicators (monitoring tool)
1	The Applicants must develop a stakeholder engagement strategy that explains the process of exploration and associated activities. It must include explanations of the potential outcomes and of the next phases such as production.	Planning	Before exploration phase commence	Applicant	Once off	Educate communities about the process and their rights	Stakeholder Engagement Strategy
2	The Applicant must establish appropriate community communication protocols and forums with local representation for the duration of the exploration activities.	Planning Operation	Throughout the exploration phase	Applicant	As needed – but at least before drilling commence and at the end of the exploration phase.	Ensure communities have accessible person to make communication with Applicants easier.	Communication register

8.4.4 Community cohesion

The West Coast communities are not homogenous. There has been a significant influx of people into the area already. There are different groups in the communities. Some are 100% against any exploration for oil and gas. They think it will be the end of the road for small-scale fishers. Others are concerned about the impact on climate change and future generations. There are also groups that support any development that can alleviate the chronic poverty and unemployment and diversify local economies. They think that oil and gas will bring some socio-economic development and improve local conditions. This division in the communities can cause conflict and unrest in the communities.

There are also signs that issues surrounding indigenous rights are politicised and used as a way to make sure that some individuals will benefit should the exploration be successful. Many organisations claim that they represent the West Coast people, but there is no organisation that can claim to represent all stakeholders. These divisions and power struggles are impacting on community cohesion, and it is important that all stakeholders have a voice in the authorisation process.

Table 14: Potential mitigation for impacts related to community cohesion.

No	Mitigation Measures	Phase	Timeframe	Responsible party for implementation	Monitoring party (frequency)	Target	Performance indicators (monitoring tool)
1	The Applicants must conduct a stakeholder analysis as part of their Stakeholder Engagement Strategy. They must ensure that all stakeholder groupings identified in the stakeholder analysis are included in the strategy. The strategy must be inclusive and transparent.	Exploration	Before exploration phase commence	Applicant	Once off	Ensure voices of diverse groups are documented and considered throughout the process.	Stakeholder Engagement Strategy

8.5 Impact ratings

Table 15: Impact ratings.

Impact	Pre-Mitigation							Post-Mitigation							Confidence	Impact Prioritisation		Priority Factor	Final Score
	Nature	Extent	Duration	Magnitude	Reversibility	Probability	Post-mitigation ER	Nature	Extent	Duration	Magnitude	Reversibility	Probability	Post-mitigation ER		Cumulative Impact	Irreplaceable Loss		
Impact of oils spills or unplanned events on the livelihoods of the fishers	-1	4	3	4	3	3	-10,5	-1	3	2	2	3	2	-5	High	2	2	1,25	-6,25
Impact of well blow out on the fishing industry (worst case scenario)	-1	5	3	5	4	5	-21,25	-1	5	3	4	3	2	-7,5	High	2	2	1,25	-9,375
Uncertainty/Confusion related to different processes	-1	5	2	3	3	4	-18	-1	4	2	3	2	3	-8,25	High	3	1	1,25	-10,31
Impact on the cohesion in the community	-1	5	3	3	3	4	-14	-1	4	2	3	2	4	-11	High	2	2	1,25	-13,75

9 Stakeholder Engagement Plan

Social impacts already start in the planning phase of a project and as such it is imperative to start with stakeholder engagement as early in the process as possible. The stakeholder engagement conducted as part of the environmental authorisation process is a good platform to start with. A stakeholder engagement plan will assist the Applicants to outline their approach towards communicating in the most efficient way possible with stakeholders throughout the exploration phase. Stakeholders must provide input in the Stakeholder Engagement Plan.

The Applicant's Stakeholder Engagement Plan should have the following objectives:

- To identify and assess the processes and/or mechanisms that will improve the communication between local communities, the wider community, and the Applicants.
- To improve relations between the Applicant's staff and the people living in the local communities.
- To provide a guideline for the dissemination of information crucial to the local communities in a timely, respectful, and efficient manner.
- To provide a format for the timely collection of information from the local communities in such a way that the communities are included in the decision-making process.

The Stakeholder Engagement Plan should be compiled in line with International Finance Corporation (IFC) Guidelines and should consist of the following components:

- Stakeholder Identification and Analysis – time should be invested in identifying and prioritising stakeholders and assessing their interests and concerns.
- Information Disclosure – information must be communicated to stakeholders early in the decision-making process in ways that are meaningful and accessible, and this communication should be continued throughout the life of the project.

- Stakeholder Consultation – each consultation process should be planned out, consultation should be inclusive, the process should be documented, and follow-up should be communicated.

- Negotiation and Partnerships – add value to mitigation or project benefits by forming strategic partnerships and for controversial and complex issues, enter into good faith negotiations that satisfy the interest of all parties.

- Grievance Management – accessible and responsive means for stakeholders to raise concerns and grievances about the project must be established throughout the life of the project.

- Stakeholder Involvement in Project Monitoring – directly affected stakeholders must be involved in monitoring project impacts, mitigation, and benefits. External monitors must be involved where they can enhance transparency and credibility.

- Reporting to Stakeholders – report back to stakeholders on environmental, social and economic performance, both those consulted and those with more general interests in the project and parent company.

- Management Functions – sufficient capacity within the company must be built and maintained to manage processes of stakeholder engagement, track commitments and report on progress.

It is of critical importance that stakeholder engagement takes place during the exploration phase to keep communities involved and build relationships.

10 Proposed Grievance Mechanism

In accordance with international good practice the Applicants should establish a specific mechanism for dealing with grievances during the exploration phase. A grievance is a complaint or concern raised by an individual or organisation that judges that they have been adversely affected by the project during any stage of its development. Grievances may take the form of specific complaints for actual damages or injury, general concerns about project activities, incidents and impacts, or perceived impacts. The IFC standards require Grievance Mechanisms to provide a structured way of receiving and resolving grievances. Complaints should be addressed promptly using an understandable and transparent process that is culturally appropriate and readily acceptable to all segments of affected communities and is at no cost and without retribution. The mechanism should be appropriate to the scale of impacts and risks presented by a project and beneficial for both the company and stakeholders. The mechanism must not impede access to other judicial or administrative remedies.

The grievance mechanism should be based on the following principles:

- Transparency and fairness;
- Accessibility and cultural appropriateness;
- Openness and communication regularity;
- Written records;
- Dialogue and site visits; and
- Timely resolution.

Based on the principles described above, the grievance mechanism process involves four stages:

- Receiving and recording the grievance;
- Acknowledgement and registration;

- Site inspection and investigation; and
- Response

11 Conclusion and recommendations

The exploration for oil and gas are controversial. For many stakeholders it is an emotional matter, for others the potential of impacting their livelihoods is the biggest fear. There are also stakeholders that feel that the exploration for fossil fuels is not in line with sustainable development and the fight against climate change. Other stakeholders feel that it is imperative for the growth and development of the South African economy to get involved in this industry. It is a complex and wicked[4] problem.

In South Africa the environmental authorisation process is triggered by certain activities. As a result, a project may be required to go through several impact assessment processes during the different phases of the project. This Social Impact Assessment Report is only applicable to the drilling of a limited number of exploration wells (between 1 and 3). The activities will take place about 150 km off shore. As a result, direct social impacts of the activity are limited. However, there are existing impacts from various sources that are already present in the project affected communities. These existing impacts have to be considered when looking at the social environment.

Based on the findings of the study, the following recommendations are made:

- Should the project be approved, the Applicants must do a stakeholder analysis and develop a Stakeholder Engagement Plan for the exploration phase before any activities take place[5]. The stakeholder analysis conducted in this report can be used as a starting point. There are a number of misconceptions, uncertainties and confusion that should be cleared out before the exploration commence. The plan

[4] a **wicked problem** is a problem that is difficult or impossible to solve because of incomplete, contradictory, and changing requirements that are often difficult to recognize.

[5] This does not refer to the stakeholder engagement process conducted as part of the EIA process, but an additional process should approval be granted.

must ensure that the different voices of stakeholders are considered and documented.

- Transparency and honesty are important considerations, and the Applicants should communicate in a clear and consistent manner.

- The Applicants must develop a Grievance Mechanism and identify a contact person in each coastal/fishing community to communicate with the different communities. The contact person must have direct access to the Applicants to ensure effective and speedy communication. All communication with affected communities must be in Afrikaans and English. WhatsApp is the preferred communication mechanism.

- The Applicants must ensure that all their insurance policies are in place in case of an unexpected event or oil spill.

- The Applicants must develop an Oil Spill Response Plan that is in line with the requirements captured in the EMPr and meet international best practice principals.

Based on the information presented in this report there are no social impacts that presents a fatal flaw, and therefore the recommendation is for the exploration process to be approved.

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EIMS	SPECIALIST DECLARATION		
EIMS Ref	1570	Project Name	PROPOSED AFRICA OIL SOUTH AFRICA CORP BLOCK 3B/4B EXPLORATION RIGHT

Project Details

Project Name	Proposed Africa Oil South Africa Corp Block 3b/4b Exploration Right
Applicant	Africa Oil SA Corp, Ricocure (Pty) Ltd and Azinam Limited (a wholly owned subsidiary of Eco Atlantic) (the Joint Venture (JV) Partners)
Competent Authority	Department of Mineral Resources

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General Declaration

By signing this form, I hereby declare that:

- I act as an independent specialist in this application.
- I will perform the work relating to the application in an objective manner, even if this results in views and findings that are not favourable to the applicant.
- I declare that there are no circumstances that may compromise my objectivity in performing such work.
- I have expertise in conducting undertaking the specialist work as required, including knowledge of the Act, Regulations and any guidelines that have relevance to the proposed activity.
- I will comply with the Act, Regulations, and all other applicable legislation.
- I have not, and will not engage in, conflicting interest in the undertaking of the activity.
- I understand to disclose to the applicant and competent authority all material information in my possession that reasonably has or may have the potential of influencing- any decision to be taken with respect to the application by the competent authority; and the objectivity of any report, plan or document to be prepared by myself for submission to the competent authority.
- I have taken into account, to the extent possible, the matters referred to in Regulation 18 when preparing the report, plan or document.
- I will provide the competent authority with access to all information at my disposal regarding the application, whether such information is favourable to the applicant or not.
- All the particulars furnished by me this form are true and correct.

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EIMS ENVIRONMENTAL IMPACT MANAGEMENT SERVICES		SPECIALIST DECLARATION	
EIMS Ref	1570	Project Name	PROPOSED AFRICA OIL SOUTH AFRICA CORP BLOCK 3B/4B EXPLORATION RIGHT

- I will perform all other obligations as expected from an environmental assessment practitioner in terms of the Regulations.
- I am aware of what constitutes an offence in terms of Regulation 48 and that a person convicted of an offence in terms of Regulation 48(1) is liable to the penalties as contemplated in Section 49B of the Act.

Disclosure of Vested Interest

- I do not have and will not have any vested interest (either business, financial, personal or other) in the proposed activity proceeding other than remunerative for work performed in terms of the Regulations.

Undertaking Under Oath/Affirmation

By signing this form, I swear under oath/affirm that all the information submitted or to be submitted for the purposes of this application is true and correct.

Signatures

Specialist					
Name	Ilse Aucamp	Signature	[signature]	Date	25 March 2024
Commissioner of Oaths					
Name	Makhuvele KB	Signature	[signature]	Date	2024-04-02
Commissioner of Oaths	[stamp]			SOUTH AFRICAN POLICE SERVICES VISPOL COMMANDER SILVERTON, 0127 2024 -04- 02 PRIVAATSAK/PRIVATE BAG X537 VISPOL COMMANDER SUID-AFRIKAANSE POLISIEDIENS	

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