

DRAFT SCOPING REPORT

COMBINED ENVIRONMENTAL IMPACT ASSESSMENT FOR THE UMSINDE EMOYENI WIND ENERGY FACILITY PHASE 1 & 2 AND ASSOCIATED ELECTRICAL GRID CONNECTION PHASE 1 & 2 WESTERN CAPE & NORTHERN CAPE

Appendix 12.1: Overview of the Study Area for the Scoping Report Social Assessment



1.0 INTRODUCTION

This appendix provides an overview of the study area with regard to:

- The relevant administrative context;
- The district level socio-economic context; and
- The municipal level socio-economic context.

A small section of the site is located in the Ubuntu Local Municipality within the Northern Cape Province. However, the majority of the site is located within the Beaufort West Local Municipality (BWLM), which is one of three local municipalities that make up the Central Karoo District Municipality (CKDM) in the Western Cape Province. The focus of Section 3 is therefore on the BWLM and CKDM.

2.0 ADMINISTRATIVE CONTEXT

The majority of the Umsinde WEF site is located within the Beaufort West Local Municipality (BWLM), which is one of three local municipalities that make up the Central Karoo District Municipality (CKDM) in the Western Cape Province. A small section of the site is also located in the Ubuntu Local Municipality within the Northern Cape Province. The town of Beaufort West is the administrative seat of the CKDM and BWLM.

The main settlements in the CKDM include, Beaufort West, Nelspoort, Murraysburg, Prince Albert, Leeu Gamka, Prince Albert Road, Matjiesfontein and Klaarstroom.

- **Beaufort West:** Beaufort West is the gateway to the Western Cape as well as the main service and development centre for the area. The town has a broad range of lower-order shops and social facilities and is the biggest retail and service sector in the District. There are a number of schools of all levels, a hospital, police station and municipal offices (CKDM IDP 2012-2017).
- **Nelspoort:** Nelspoort is a small dormitory settlement located 42 km northeast of Beaufort West, just south of the N1, and one of the many small villages established to serve the rail service. The local school was closed down and the closest school is at Restvale, which is 3 km away. There are no shops or services in Nelspoort, with the exception of a postal agency. Very few public transport services operate from Nelspoort (CKDM IDP 2012-2017).
- **Murraysburg:** Murraysburg is located on the R63 between Victoria West and Graaff-Reinet. It is an exceptionally poor town, with few businesses remaining. Unemployment is high and social problems due to poverty and destitution abound. There is no rail connection to Murraysburg and residents depend on road transport links to larger towns, Graaff-Reinet being the closest (CKDM IDP 2012-2017).
- **Prince Albert:** Prince Albert is the second largest settlement in the Central Karoo District. It is located 400 km north of Cape Town and 170 km southwest of Beaufort West (CKDM IDP 2012-2017). The town has a well-developed tourism sector.
- **Leeu Gamka:** The settlement of Leeu Gamka is located on the N1 national route and the main railway line to Cape Town. Inhabitants rely on rail transport to Beaufort West, which is located approximately 80 km to the northeast (CKDM IDP 2012-2017).
- **Prince Albert Road:** This settlement is located on the N1 and on the main north-south railway line. It is a very small settlement that was originally established to serve the railway station. The daily Cape Town to Pretoria rail service stops at Prince Albert Road (CKDM IDP 2012-2017).
- **Laingsburg:** Laingsburg is a relatively small service centre situated approximately 200 km from Cape Town on the N1. It is a major petrol stop for much of the through traffic, especially passenger cars and trucks (CKDM IDP 2012-2017).
- **Matjiesfontein:** This small, historic settlement is situated off the N1 between Laingsburg and Beaufort West. It has a hotel, a museum, a church and a railway

station. The daily Sholoza Meyl Cape Town to Pretoria service stops at Matjiesfontein. Most people who visit the town are travellers and tourists who are aware of the historic nature of the village and the area (CKDM IDP 2012-2017).

- **Klaarstroom:** Klaarstroom is a small rural village east of Prince Albert close to the northern access to Meiringspoort. The town is a residential village with limited facilities. Those who are employed work on the local farms. The latter have better agricultural potential than those in the more northern areas of the Central Karoo (CKDM IDP 2012-2017).

3.0 MUNICIPAL LEVEL SOCIO-ECONOMIC CONTEXT

CENTRAL KAROO DISTRICT MUNICIPALITY

Introduction

The Central Karoo District Municipality (CKDM) is the largest DM in the Western Cape Province covering an area of 38 853 km², which constitutes ~ 30% of the total area of the Province. However, with a population of 71 011 the CKDM is the least populated DM in the Province. The distances between settlements within the district therefore tend to be large. The district comprises of three Local Municipalities:

- Beaufort West Municipality;
- Prince Albert Municipality;
- Laingsburg Municipality.

Beaufort West is the most populated of the local municipalities with a population size of 49 586, followed by Prince Albert (13 136) and Laingsburg (8 289)(Census 2011). The main language spoken in the district is Afrikaans followed by IsiXhosa.

Economic overview

The CKDM IDP (2012-2017) indicates that economic development remains a developmental challenge for the DM. This is due to the low population density, distance from large markets and the arid climate. In addition there are high levels of unemployment and poverty and a lack of skilled persons.

In 2008 the CKDM economic growth rate was 6 % compared to the Province's annual growth rate of 4.3% (CKDM IDP 2012-2017). However, due to global recession the growth rate in 2009 was 0.2 %, while the Province's economy contracted by 1.2 %. The decline in the growth from 2008 to 2009 was due to the impact of the 2008/09 global recession.

The contribution of the different economic sectors to the local economy has changed over the last 10 years. The 2009 figures compared to the 1999 figures indicate that the most significant changes were in the finance, insurance, real estate and business services sector and manufacturing sector. These sectors increased by 8.9 % and 4.4 % respectively, while the agriculture and transport, storage and communication sectors decreased by 7.0 % 3.8 % respectively.

In the BWLM mining and quarrying displayed a growth rate of 26.9 % while manufacturing recorded a growth rate of 10.12 %. In the Prince Albert LM the construction (15.2 %) and finance, insurance, real estate and business (14.4 %) sectors all displayed strong growth. In the Laingsburg LM construction (11.8 %) and manufacturing (9.7 %) recorded strong growth.

In terms of employment the most important economic sector is the Community, social and personal services sector (16.9 %), followed by Agriculture; hunting; forestry and fishing (15.7 %) and Wholesale and retail trade (14.0 %). The Agriculture sector also

plays a key role in the other District Municipalities in the Western Cape, accounting for 27.9% and 24.2% the jobs in the West Coast and Cape Winelands respectively.

Employment

The Community survey of 2007 found that the Central Karoo had the lowest percentage of the Western Cape's labour force (0.8 %). At the same time the DM also had the highest unemployment rate (30.8%). Based on the 2011 Census figures the unemployment rate in the CKDM was 23.1% compared to 21.6% for the Western Cape Province. Within the DM the unemployment rates for the BWLM, Prince Albert and Laingsberg LM were 25.5, 17.9 and 19.4 % respectively in 2011 (Census 2011).

As indicated above, the majority of employment in the Central Karoo is within the agriculture sector. However, the agriculture sector is largely dependent on exports to the Europe. Due the financial crisis in 2008 exports to Europe have declined significantly, which in turn has resulted in job losses in the agriculture sector.

Although unemployment impacts across gender, race, age and other social divides its effects within certain groups are more pronounced. Some of the differential impacts of unemployment can be found within the breakdown of gender, population group and age.

In terms of unemployment by population group, the unemployment rate for Black Africans (45.0 %) was greater than any other population group. The figure for Coloureds was 33.4 % while for Whites is was only 2.6 %. Disparities are also found within different age groups, with younger age groups experiencing higher levels of unemployment and representing significantly higher shares of the unemployed in comparison with their share of the labour force. The unemployment rate for those in younger age groups is significantly higher than the older age groups. The differences in unemployment rates between age groups may in part be accounted for in the higher education, skill and experience levels of relatively older workers – these characteristics make work-seekers more attractive to prospective employers and improve their chances of finding employment (CKDM IDP 2012-2017).

In terms of gender, males make up 52.9% of the CKDMs labour force. Although males represent more than half of the labour force, they represent only 41.3 % of the district's total unemployed population. The high representation of females within the unemployed translates into a significantly higher unemployment rate for females (38.3 %) compared with males (24.0 %) CKDM IDP 2012-2017).

CKDM has third lowest proportion of skilled labour force (38.6 %) and the second highest of low skilled (26.6 %) people in the Western Cape. The low skill levels in the CKDM places a strain on the region's economy and poses a challenge to the areas future development (CKDM IDP, 2012-2017). The IDP notes that a large proportion of occupations in the DM are classified as either skilled (39 %) or high skilled (21 %). The concentration of employment opportunities in the skilled sector therefore means that there are relatively few opportunities available to those with low skill levels. The current proportion of low skilled occupations available in the District is 27 % (CKDM IDP 2012-2017). This mismatch in terms of skills levels and employment opportunities highlights the need for individuals to up-skill in order to improve their chances of finding employment within the district CKDM IDP 2012-2017).

Household income

The CKDM IDP (2012-2017) indicates that the 32% of households in 2009 earned income between R0 and R42 000, 41.8% earned between R42 000 and R132 000, 23.1% between R132 000 and R600 000 and 3.1% earn above R600 000. The IDP notes that the figures indicated that there has been a shift in earning power in the number of people earning at the lower end of the scale while the people in the middle to upper ends of the scale has increased significantly.

Human development index⁴

The Human Development Index (HDI) for the CKDM increased from 0.57 in 2001 to 0.60 in 2010. While the HDI within the CKDM has improved over the past decade the CKDM has the lowest HDI of all the Districts, followed by the West Coast and Cape Winelands DM. Within the CKDM the Prince Albert Municipality has the lowest HDI followed by Laingsburg Municipality. The low HDI poses a major challenge for the district in terms of creating employment opportunities to improve the standard of living in the area.

Poverty rate⁵ and indigent households

Research undertaken by Global Insight indicates that the number of people living in poverty in the CKDM in 2010 was approximately 20 200 people. In this regard the CKDM had the highest number of people living in poverty in the Western Cape (32.5%). Prince Albert has the highest proportion of poor people and it is rising compared to the rest of the district (Table 12.1-1).

Table 12.1-1: Western Cape Province- Poverty Rate, Percentage of People Living in Poverty, 2001 and 2010 per municipality

Municipality	2001 (%)	2010 (%)
City of Cape Town	23.9	19.7
West Coast District	32.0	30.4
Cape Winelands District	30.9	25.7
Overberg District	31.0	29.6
Eden District	31.6	21.7
Central Karoo District	38.7	32.5
Laingsburg Municipality	37.6	36.1
Prince Albert Municipality	44.1	43.3
Beaufort West Municipality	37.5	29.1

According to the Western Cape Department of Local Government information the number of households in the Central Karoo District totalled 14 945 of which 5 903 (39.5 %) were classified as indigent (August 2011). From the Department's information, of the total number of households, 43.1 % received free basic access to water, 40.2 % to electricity, 39.4 % to sanitation services. Within the CKDM the Beaufort West LM has the highest number of indigent households followed by the Prince Albert and Laingsburg LM (Table 12.1-2).

⁴ The Human Development Index (HDI) is a composite, relative index that attempts to quantify the extent of human development of a community and is based on measures of life expectancy, literacy and income. The HDI therefore provides a measure of people's ability to live a long and healthy life, to communicate, to participate in the life of the community and to have sufficient resources to obtain a decent living. In terms of measurement the maximum level is 1, which indicates a high level of human development, and a minimum value of 0.

⁵ The poverty rate represents the percentage of people living in households with an income less than the poverty income. The poverty income is defined as the minimum monthly income needed to sustain a household and varies according to household size, the larger the household the larger the income required to keep its members out of poverty. The poverty income used is based on the Bureau of Market Research's Minimum Living Level (BMR report no. 235 and later editions, Minimum and Supplemented Living Levels in the main and other selected urban areas of the RSA, August 1996). For example, the monthly income needed to keep a 1 person household out of poverty in 2010 is estimated to be R1 315, while for a two person household it is R1 626; a four person household requires an estimated income of R2 544 to stay out of poverty while a household with eight or more person requires an estimated R4 729.

Table 12.1-22: Indigent Households within the Central Karoo Municipality

Municipality	Households	Indigent Households
Laingsburg Municipality	1960	663
Prince Albert Municipality	10135	4351
Beaufort West Municipality	2850	889

Gini coefficient⁶

The Gini coefficient for the DMs in the Western Cape Province are largely similar, and vary between 0.57 (City of Cape Town) and 0.6 (West Coast DM). The Gini coefficient for the CKDM was 0.58 in 2019 (Table 12.1-3). Within the CKDM the Prince Albert Municipality had the highest Gini coefficient in 2010 (0.61) followed by the Laingsburg Municipality (0.59). The income inequality within the CKDM is exacerbated by the high unemployment rates and low income levels.

Table 12.1-3: Western Cape Province-Gini coefficient 2001 and 2010 per City/District /Municipality

Municipality	2001	2010
City of Cape Town	0.60	0.57
West Coast District	0.59	0.60
Cape Winelands District	0.60	0.59
Overberg District	0.58	0.58
Eden District	0.59	0.56
Central Karoo District	0.59	0.58
Laingsburg Municipality	0.59	0.59
Prince Albert Municipality	0.61	0.61
Beaufort West Municipality	0.59	0.57

Main transport corridors

The N1 national road that bisects the Central Karoo is a key transport corridor for road-based freight transport, passenger services and private vehicles. This vital link bisects South Africa on a northeast-southwest axis, providing access to and between Limpopo Province, Gauteng, the Free State and the Western Cape. Within the Central Karoo District it links the towns of Beaufort West, Leeu-Gamka, Laingsburg and Matjiesfontein.

The R61 road which provides access to the Eastern Cape branches off at Beaufort West and goes via Aberdeen or Murraysburg. A second main road transport route, the N12, connects to the N1 south of Beaufort West, providing a link to Oudtshoorn and George. Figure 3 shows the road and rail networks of the Central Karoo District. The R63 trunk road connects to the N1 in the northeast of the area and passes to the south through Murraysburg and on to Graaff-Reinet, and to the north, to Victoria West in the Northern Cape. Running parallel to the N1 through the Central Karoo is the long-distance main railway line connecting Cape Town to Johannesburg / Pretoria and the other main urban centres of South Africa.

BEAUFORT WEST LOCAL MUNICIPALITY

⁶ The Gini coefficient is a summary statistic of income inequality, which varies from 0, in the case of perfect equality where all households earn equal income, to 1 in the case where one household earns all the income and other households earn nothing. In practice the coefficient is likely to vary from approximately 0.25 to 0.70.

Introduction

The Beaufort West Local Municipality (BWLM) is a category-B municipality, comprising the towns of Beaufort West, Merweville, Nelspoort and Murraysburg in the Central Karoo District. In February 1837, the BWLM became South Africa's first and therefore oldest municipality. It is the centre of an agricultural district based mainly on sheep farming and meat production, and is strategically positioned on the N1 national road, which links Cape Town with the interior of South Africa.

Merweville is a small town situated 160km south-east of Beaufort West and 40km from Prince Albert Road station. This Central Karoo town lies in a picturesque area of plains was established around 1897 on the farm of Jacobus van der Bijl. Murraysburg, a typical old-world Great Karoo town, is located 160km south-west of Beaufort West. The town is located at the foot of the Sneeuberg Mountains in a scenic mix of mountains and plains. The town was named after the Reverend Andrew Murray, minister of the DRC in Graaff-Reinet. Nelspoort, is located situated 56km north of Beaufort West. Established in 1924 through the efforts of Dr Alfred Jasper Anderson and John Garlick, a philanthropist, the Nelspoort area was identified as an ideal location for "the first chest hospital on the African continent."

Economic Overview

The regional gross value added figure (GVA-R) for the BWLM amounted to R840.741 million in 2009 and accounted for 74.4% of the total of the regional economy of R1.130 billion, making it the largest economic contributor in the CKDM⁷. The economy of the BWLM grew at a lower rate than the District's economy between the 2001 and 2009 period with the exception of 2003 and 2006 when the BWLM economy outperformed the economy of the District. Beaufort West's economy grew at an annual average rate of 3.5% over the period 2001 to 2009 compared to the District's annual average growth rate of 3.6%. In 2008, Beaufort West's and the District's economic growth peaked at 6% and 5.3% respectively, at the height of the global financial crisis. However, in 2009 the economic growth for BWLM and the District were stagnant.

In terms of sectors, the leading sector contributors to the BWLM economy in 2009 were; finance (29%); community services (27%), agriculture (14%) and transport (7%). The agricultural sector's contribution to the local economy decreased from 15.2% to 14.9% between 2001 and 2009. The finance sector's contribution increased from 19.7% to 28.9%, whilst the community services sector's contribution decreased marginally from 27.3 to 26.6% between 2001 and 2007.

Household Income

The majority of households (51.3%) in Beaufort West had an income of between R4 801 and R38 400 per annum. Of all the households, 9.5 % had no income, 3.3% earned between R0 and R4 800 per annum, 5.8 % between R 4 801 and R 9 600, 21.7% between R 9 601 and R 19 600, and 23.8% between R 19 601 and R 38 200 per annum (Census 2011).

In 2007, there were 11 160 social grant beneficiaries, of which 57.2% beneficiaries received the child support grant, followed by the old age pension grant (23%) and the disability grant (16.7%). The municipality offers additional social support through its indigent policy. The indigent policy provides free and discounted rates on basic services such as water, electricity, sanitation, refuse and property rates. According to the municipality, there were 4 147 indigents registered in the 2010/11 financial year (BWLM IDP 2012-2017).

⁷ GVA and Gross Domestic Product (GDP) are similarly related concepts. GVA excludes taxation and subsidies, while these are included in GDP.

OVERVIEW CENTRAL KAROO AND BEAUFORT WEST MUNICIPALITY

Demographic information

As indicated in Table 12.1-4, the population of the CKDM increased by from 60 483 in 2001 to 71 011 in 2011, which represents an increase of ~ 17.4%. The population of the BWLM increased from 43 290 in 2001 to 49 586 in 2011 (~ 14.5 %) over the same period. This represents an average annual increase of ~ 1.6 % and 1.36 % for the CKDM and BWLM respectively. The increase in the population in both the CKDM and BWLM was linked to an increase in the economically active 15-65 year age group. The increase in the economically active 15-65 age group is also reflected in the decrease in the dependency ratios in both the CKDM and BWLM (see below). As expected, the number of households in both the CKDM and BWLM increased between 2001 and 2011. The size of the household sizes in both areas decreased marginally, from 3.8 to 3.6 in the CKDM and 3.9 to 3.6 in the BWLM.

The dependency ratio in both the CKDM and BWLM decreased from 62.9 to 58.0 and 62.4 to 59.7 respectively. The age dependency ratio is the ratio of dependents, people younger than 15 or older than 64, to the working, age population, those ages 15-64. The increase represents a positive socio-economic improvement, and reflects a decreasing number of people dependent on the economically active 15-64 age group. This decrease is linked to the increase in the percentage of economically active people in both the CKDM and BWLM. Despite the decrease the dependency ratios for the CKDM and BWLM are higher than the national (52.7) and provincial (45) dependency ratios. Over the past 50 years, the value for this indicator has fluctuated between 84.43 in 1966 and 52.7 in 2011.

In terms of percentage of formal dwellings, the number of formal dwellings in the CKDM increased significantly from 95.7 % in 2001 to 97.0 % in 2011. In the BWLM the number of formal dwellings also increased from 95.8 % to 97.9 % for the same period. This represents a positive socio-economic improvement for the area. The high level of formal dwellings is also likely to reflect a low in-migration into the both the CKDM and BWLM, which in turn is likely to be an indication of the limited economic opportunities in the area.

The official unemployment rate in both the CKDM and BWLM also decreased for the ten year period between 2001 and 2011. In the CKDM the rate fell from 36.2 % to 23.1 %, a decrease of 13.1 %. In the BWLM the unemployment rate decreased from 38.2 % to 25.5 %, a decrease of 12.7 %. Youth unemployment in both the CKDM and BWLM also dropped over the same period. However, the youth unemployment rate in the both the CKDM (30.9 %) and BWLM (34.5 %) remain high. This is likely to be due to the decline in the role of the agricultural sector and the subsequent loss of employment opportunities in this sector. The education levels in both the CKDM and BWLM also improved, with the percentage of the population over 20 years of age with no schooling dropping in the CKDM decreasing from 17.3 % to 10.1 %. For the BWLM the decrease was from 17.2 % to 10.1 %. The percentage of the population over the age of 20 with matric also increased in both the CKDM and BWLM, from 14.9 % to 21.5 % in the CKDM and 16.4 % to 23.6 % in the BWLM. The levels in both the CKDM and BWLM are however lower than the provincial average of 28.1 %.

The IDP (CKDM 2012-2017) also notes that the population in the CKDM have limited options when it comes to higher education and further education facilities. Only one institution in Beaufort West serves the District and people are compelled to further their studies outside of the District.

Table 12.1-4: Overview of key demographic indicators for the CKDM and BWLM

ASPECT	CKDM		BWLM	
	2001	2011	2001	2011
Population	60 483	71 011	43 290	49 586
% Population <15 years	32.7	30.5	32.8	31.5
% Population 15-64	61.4	63.3	61.6	62.6
% Population 65+	6.0	6.2	5.7	5.9
Households	15 009	19 076	10 540	13 089
Household size (average)	3.8	3.6	3.9	3.6
Formal Dwellings %	95.7 %	97.0 %	95.8 %	97.9 %
Dependency ratio per 100 (15-64)	62.9	58.0	62.4	59.7
Unemployment rate (official) - % of economically active population	36.2 %	23.1 %	38.2 %	25.5 %
Youth unemployment rate (official) - % of economically active population 15-34	47.3 %	30.9 %	49.7 %	34.5 %
No schooling - % of population 20+	17.3 %	10.1 %	17.2 %	10.1 %
Higher Education - % of population 20+	6.1 %	7.1 %	6.0 %	6.5 %
Matric - % of population 20+	14.9 %	21.5 %	16.4 %	23.6 %

Source: Compiled from StatsSA Census 2011 Municipal Fact Sheet

Municipal services

As indicated in Table 12.1-5, the provision of and access to municipal services as measured in terms of flush toilets, weekly refuse removal, piped water and electricity, increased in both the CKDM and BWLM for the period 2001 to 2011. As indicated in Table 5 there have been significant improvements in the number of households with access to piped water inside their dwellings in both the CKDM and BWLM. These improvements also contribute significantly to the overall improvement in the quality of life of the residents of the CKDM and BWLM.

Table 12.1-5: Overview of access to basic services in the CKDM and BWLM

	CKDM		BWLM	
	2001	2011	2001	2011
% households with access to flush toilet	75.1	77.6	80.2	83.2
% households with weekly municipal refuse removal	78.1	78.7	82.4	83.7
% households with piped water inside dwelling	55.5	77.2	57.5	81.3
% households which uses electricity for lighting	83.9	89.4	86.6	92.0

Source: Compiled from StatsSA Census 2011 Municipal Fact Sheet