Proposed Lephalale Railway Yard in Limpopo Province

Social Scoping Report

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Prepared for:
Naledzi Environmental Consultants

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Executive Summary

The purpose of this document is to provide a baseline description of the receiving socio-economic environment and to identify preliminary social and economic impacts for the proposed Lephalale Railway Yard.

Stakeholders will be identified in more detail during the EIA phase, but preliminary stakeholders include:

- Government and parastatals
  - Limpopo Province;
  - Waterberg District Municipality;
  - Lephalale Local Municipality;

- Civil society
  - Surrounding towns and communities (Lephalale, Steenbokpan);
  - Private landowners;
  - Agricultural associations.

- Business

It must be noted that this list can change during the SIA phase and more stakeholders that emerge may be added.

The receiving environment is located in Ward 3 of the Lephalale Local Municipality that is located in the Waterberg District Municipality in the Limpopo Province. The proposed site is located approximately 30 km west of the town of Lephalale, in the rural area of Steenbokpan. The Waterberg region is regarded as a strategic growth node for various activities within the Mining and Minerals sectors. The main economic sectors in the municipal area are mining, electricity and agriculture.
Hunting and tourism are the main tourism activities and there are a number of hunting farms in the Steenbokpan area.

The population in the municipality showed an increase of about 18% between 2011 and 2016, while the number of households have increased with just over 40%. Together with the increase in construction and mining activities in the area, this suggests an increase in the number of migrant workers in the area, which is also supported by the high proportion of households that consists of one or two members.

Despite the apparent increase in economic activity in the area, levels of poverty have increased. Potential reasons for this are that the people who migrated to the area by far outnumber the available employment opportunities, or that contract workers who are only in the area for a relatively short period of time start families, which they leave behind when they move to the next contract, and the family that stays behind then struggles without their financial contribution. Another possible reason is price increases due to a high demand for certain items.

The majority of the population in the municipality belong to the Black population group, but in the ward there is a high proportion of people belonging to the White population group. This suggests that the ward is culturally more diverse than the municipal area as a whole. People in the ward tend to be older, and as such can be expected to be in a different life stage than the average municipal resident. The main languages spoken in the ward are Afrikaans, Setswana and Sepedi, making the ward culturally different from the municipal area.

Education levels on ward level is higher than on municipal level and unemployment levels are lower. The household income levels on ward level are higher than on municipal level and suggest a greater variety of skills levels. There is a high demand for rental units, and this is supported by the relatively high proportion of households that rent their dwellings as well as the high incidence of informal dwellings (in backyards and informal settlements) on municipal and ward level.
A number of preliminary social and economic impacts have been identified through the lifecycle of the project. These will be assessed in more detail during the social and economic impact assessment and it is possible that additional impacts may emerge during this process and that the preliminary ratings may change.

At this stage none of these possible impacts is seen as a fatal flaw in the possible successful execution of the proposed project. Most of the potential impacts can be mitigated. The importance of addressing the potential impacts as early in the project cycle as possible must be underlined, since failure to do so may result in the development of risks and an exponential increase in project cost.
Declaration of Independence

Equispectives Research and Consulting Services declare that:

- All work undertaken relating to the proposed project were 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 abovementioned 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;

- 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

This report was compiled by San-Marié Aucamp and Ilse Aucamp.

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 of 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 research. She is a past council member of the Southern African Marketing Research Association (SAMRA).

Ilse Aucamp holds a D Phil degree in Social Work obtained from the University of Pretoria in 2015. She also has Masters 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 the past international chairperson of the Social Impact Assessment section of the International Association of Impact Assessment (IAIA) as well as a past member of the National Executive Council of IAIA South Africa. She advises the Centre for Environmental Rights on social issues, and is also on the advisory panel of the SIAhub, an international website aimed at SIA practitioners. She is a co-author of the Social Impact Assessment: Guidance for assessing and managing the social impacts of projects document published by the International Association for Impact Assessment published in 2015.
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GLOSSARY OF TERMS

**Sense of place:** Defining oneself in terms of a given piece of land. It is the manner in which humans relate or feel about the environments in which they live.

**Social impact:** 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.

**Social change process:** 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.

**Social Impact Assessment:** 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.

**Social license to operate:** The acceptance and belief by society, and specifically local communities, in the value creation of activities.

**Social risk:** Risk resulting from a social or socio-economic source. Social risk comprises both the objective threat of harm and the subjective perception of risk for harm.
LIST OF ABBREVIATIONS

DM  District Municipality
EIA  Environmental Impact Assessment
EMP  Environmental Management Plan
ESOMAR  European Society for Opinion and Marketing Research
FPL  Food Poverty Line
HDSA  Historically Disadvantaged South African
IDP  Integrated Development Plan
LBPL  Lower Bound Poverty Line
LM  Local Municipality
NEMA  National Environmental Management Act
SAMPI  South African Multidimensional Poverty Index
SAMRA  Southern African Marketing Research Association
SIA  Social Impact Assessment
UBPL  Upper Bound Poverty Line
UNEP  United Nations Environmental Programme
1 Introduction

Transnet plans to expand the rail transportation from the Waterberg region in stages to meet the potential expansion of the mining activities, coal transportation and transportation of other commodities (Scope of Works document, 18 June 2018). The Waterberg Railway Corridor starts in Lephalale, passes through Thabazimbi, Rustenburg, Pyramid South and links to the existing Ermelo railway line, which provides linkage to the main coal export terminal at Richards Bay Harbour.

The coal reserves in the Mpumalanga area, that accounts for about 80% of coal production in South Africa, are progressively depleting. Coal reserves were discovered in the Waterberg region in Limpopo and in order to meet the anticipated transportation of coal volumes from this area, additional freight capacity is required. Furthermore, the Waterberg complex is regarded as a strategic growth node for various activities within the Mining and Industrial sectors. Adequate rail infrastructure capacity is seen as critical to unlock the potential of this economic hub.

The proposed Lephalale Railway Yard forms part of the endeavour to increase capacity. The purpose of the yard is to allow compilation of 100 wagon trains from the surrounding mines, refuel diesel locomotives, sanding, crew change and on track inspections of rolling stock. The yard will be located approximately 30 km west of the town of Lephalale on the single railway line between Thabazimbi and Lephalale, in the rural area of Steenbokpan. The project area is located in the Lephalale Local Municipality, which falls within the jurisdiction of the Waterberg District Municipality in the Limpopo Province.

Figure 1 shows the proposed location for the project.
Figure 1: Locality of the proposed Lephalale Railway Yard.

The railway yard would cover the following land parcels:

- Portion 1 of the farm Geelhoutkloof 359LQ;
- Geelhoutkloof 717LQ (former Remainder of Geelhoutkloof 359LQ);
- Enkeldraai 314LQ;
- Kringgatspruit 318LQ (now Pontes Estate 712LQ); and
- Buffelsjagt 317LQ.

The purpose of the Social Impact Assessment (SIA) report is to provide baseline information regarding the socio-economic environment, to identify possible social and economic risks/fatal flaws 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 change processes that may occur as a result of the project; and
- Preliminary identification of potential social and socio-economic impacts.

Conducting an SIA is one of the ways in which social risk can be managed. 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.

Naledzi Environmental Consultants 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 social baseline description for the proposed project as part of the scoping phase. A social impact assessment will follow during the EIA phase where a more detailed consultative process will be followed. More detail on the scope of each of these phases is included in the section below.
2 Methodology

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; and
- Professional judgement based on experience gained with similar projects;

In terms of the way forward, it is believed that a participatory approach is the best way to approach social research in the South African context. The World Bank Social Standards, Equator Principles, International Principles for Social Impact Assessment, as well as the guidance document for assessing and managing the social impacts of projects of IAIA will guide the study. It must be noted that international standards and principles will be adapted to ensure that it can be applied in the local social context. Apart from obtaining environmental permits as required by law, any proposed project would also require “social license to operate” from the community where it will be situated. This is seen to be a crucial element to ensure the successful implementation of the recommendations resulting from the environmental studies. The methodology proposed therefore focus on involving the affected public in the research and planning where it is realistically possible and executable. Different methodologies will be utilised to ensure the affected communities are consulted in the way that is most appropriate to the community. Information obtained through the public processes will inform the writing of the social report.
3 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 behaviour, 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.

3.1 Description of the area

The proposed project will be located in Ward 3 of the Lephalale Local Municipality that falls under the Waterberg District Municipality in the Limpopo Province. For the baseline description of the area, data from Census 2011, Community Survey 2016, municipal IDP’s and websites were used.

Figure 2: Locality of the proposed project.
The **Limpopo Province** is South Africa’s most northern province and covers an area of 125 754 km² (www.municipalities.co.za). It shares an international border with Mozambique, Zimbabwe and Botswana. It also borders the Gauteng, Mpumalanga and North West Provinces. The capital of the province is Polokwane. Other major cities and towns include Bela-Bela, Lephalale, Makhado, Musina, Thabazimbi and Tzaneen.

Mining is the main driver of the economy and mineral deposits include platinum-group metals, iron ore, chromium, high and middle-grade coking coal, diamonds, antimony, phosphate, and copper. Mineral reserves include gold, emeralds, scheelite, magnetite, vermiculite, silicon and mica.

Crops grown in Limpopo include sunflowers, cotton, maize, peanuts, bananas, litchis, pineapples, mangoes, pawpaws, a variety of nuts, as well as tea and coffee. The Bushveld is known for cattle, where controlled hunting is often combined with ranching.

Limpopo is divided into five districts, namely Capricorn, Mopani, Sekhukune, Vhembe and Waterberg.

The **Waterberg District Municipality** is located in the western part of the Limpopo Province (www.municipalities.co.za), and covers an area of 44 913 km². It shares a border with the North West and Gauteng Provinces. It is the biggest district in the provinces and shares five border control points with Botswana. Main towns in the area are Amandelbult Mine Town, Bela-Bela, Lephalale, Modimolle, Mokopane, Mookgophong, Pienaarsrivier, Thabazimbi and Vaalwater. The main economic sectors are mining, agriculture and tourism. The district consists of five local municipalities, namely Bela-Bela, Lephalale, Modimolle-Mookgophong, Mogalakwena and Thabazimbi.

The **Lephalale Local Municipality** is the largest municipality in the district and covers an area of 13 794 km² (www.municipalities.co.za). The town of Lephalale is a recognised gateway to Botswana and other Southern African countries. Mining,
electricity generation and agriculture are the greatest contributors to the area’s GDP (Integrated Development Plan 2018/2019). Agriculture is the sector that employs the largest part of the workforce, followed by community services. Tourism forms an important part of the economy of the area and is a potential future growth area. Hunting and ecotourism are the main tourism activities. Tourism attractions in the area include the Marakele National Park, D’Nyala Nature Reserve, and the Mokolo Dam and Nature Reserve. The Waterberg coal fields that are located in Lephalale contains more than 40% of the total coal reserves of South Africa.

3.2 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 Limpopo Province, Waterberg District Municipality, Lephalale Local Municipality and Ward 3 of the Lephalale Local Municipality. The data used for the socio-economic description was sourced from Census 2011. Census 2011 was a de facto census (a census in which people are enumerated according to where they stay on census night) where the reference night was 9-10 October 2011. The results should be viewed as indicative of the population characteristics in the area and should not be interpreted as absolute.

In some municipalities the ward boundaries have changed in 2016 and StatsSA made Census 2011 data available that is grouped according to the 2016 boundaries. The ward level data will be shown for the 2016 ward delineations.

The following points regarding Census 2011 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 have to 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 higher 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 taken into account that the time period between the first two censuses is of five years and that between the second and third census is of ten years. Although Census captures information at one given point in time, the period available for an indicator to change is different.

Where available, the Census 2011 data will be supplemented with data from Community Survey 2016.

### 3.2.1 Population and household sizes

According to the Community Survey 2016, the population of South Africa is approximately 55.7 million and has shown an increase of about 7.5% since 2011. The household density for the country is estimated on approximately 3.29 people per household, indicating an average household size of 3-4 people (leaning towards 3) 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 on local level (Table 1), more than double than the national average. Population density refers to the number of people per square kilometre. In the study area the population density has increased since 2011.

**Table 1: Population density and growth estimates (sources: Census 2011, Community Survey 2016)**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Limpopo Province</td>
<td>125,754</td>
<td>5,404,868</td>
<td>5,799,090</td>
<td>42.98</td>
<td>46.11</td>
<td>7.29</td>
</tr>
<tr>
<td>Waterberg DM</td>
<td>44,913</td>
<td>679,336</td>
<td>745,758</td>
<td>15.13</td>
<td>16.60</td>
<td>9.78</td>
</tr>
<tr>
<td>Lephalale LM</td>
<td>13,794</td>
<td>115,767</td>
<td>136,626</td>
<td>8.39</td>
<td>9.90</td>
<td>18.02</td>
</tr>
</tbody>
</table>

The number of households in the study area has increased on all levels (Table 2), especially on municipal level, where the increase in households was more than double the increase in population. The average household size has shown a decrease on all levels, which means there are more households, but with less members.

**Table 2: Household sizes and growth estimates (sources: Census 2011, Community Survey 2016)**

<table>
<thead>
<tr>
<th>Area</th>
<th>Households 2011</th>
<th>Households 2016</th>
<th>Average household size 2011</th>
<th>Average household size 2016</th>
<th>Growth in households (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limpopo Province</td>
<td>1,418,102</td>
<td>1,601,083</td>
<td>3.81</td>
<td>3.62</td>
<td>12.90</td>
</tr>
<tr>
<td>Waterberg DM</td>
<td>179,866</td>
<td>211,471</td>
<td>3.78</td>
<td>3.53</td>
<td>17.57</td>
</tr>
<tr>
<td>Lephalale LM</td>
<td>29,880</td>
<td>42,073</td>
<td>3.87</td>
<td>3.25</td>
<td>40.81</td>
</tr>
</tbody>
</table>

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 total dependency ratio for Ward 3 is much lower than on local, district or provincial level (Table 3). The same trend applies to the youth, aged and employment dependency ratios. 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 Ward 3 is much lower than on provincial, district or local level. This is most likely to the high incidence of farms in the ward where people reside at their place of employment with at least one household member being employed and the high incidence of urban areas in the ward.

### Table 3: Dependency ratios (source: Census 2011).

<table>
<thead>
<tr>
<th>Area</th>
<th>Total dependency</th>
<th>Youth dependency</th>
<th>Aged dependency</th>
<th>Employed dependency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limpopo Province</td>
<td>67.26</td>
<td>56.79</td>
<td>10.47</td>
<td>83.61</td>
</tr>
<tr>
<td>Waterberg DM</td>
<td>55.50</td>
<td>46.45</td>
<td>9.05</td>
<td>75.30</td>
</tr>
<tr>
<td>Lephalale LM</td>
<td>43.47</td>
<td>37.60</td>
<td>5.87</td>
<td>69.83</td>
</tr>
<tr>
<td>Ward 3</td>
<td>27.77</td>
<td>22.85</td>
<td>4.92</td>
<td>49.07</td>
</tr>
</tbody>
</table>

Poverty is a complex issue that manifests itself on 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 since 2011 (Table 4).

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 has increased 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 increased on all levels, indicating that households might be getting poorer.
Table 4: Poverty and SAMPI scores (sources: Census 2011 and Community Survey 2016).

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Limpopo Province</td>
<td>10.1</td>
<td>41.6</td>
<td>0.042</td>
<td>11.5</td>
<td>42.3</td>
<td>0.049</td>
</tr>
<tr>
<td>Waterberg DM</td>
<td>6.5</td>
<td>41.6</td>
<td>0.027</td>
<td>9</td>
<td>42.7</td>
<td>0.038</td>
</tr>
<tr>
<td>Lephalale LM</td>
<td>5.4</td>
<td>41.9</td>
<td>0.023</td>
<td>9</td>
<td>44.4</td>
<td>0.040</td>
</tr>
</tbody>
</table>

3.2.2 Population composition, age, gender and home language

In Ward 3 just over two thirds of the population belongs to the Black population group (Figure 3), while over a quarter belongs to the White population group. Ward 3 has a lower proportion of people belonging to the Black population group than on local or district level.

Figure 3: Population distribution (shown in percentage, source: Census 2011)

The average age in the local municipality is 27.61 years, which is more or less the same than on district level (27.79). The average age on provincial level (26.47) is lower than on local level, while the average age on ward level (30.66) is higher. Less than a fifth of the population in Ward 3 is aged 14 years or younger, compared to
more than a quarter on local level (Figure 4). There are a greater proportion of people on ward level in the age groups 35 – 64 years, than on any other level.

Figure 4: Age distribution (shown in percentage, source: Census 2011)

The sex distribution is more or less equal on district level (Figure 5), but is biased towards females on provincial level and males on local and ward level. This can most likely be attributed towards economic and employment activities in the area such as mining, construction and agriculture that tends to favour males.
Afrikaans is the home language of almost a third of the population in Ward 3, while almost a quarter has Setswana as home language (Figure 6). Almost a fifth of the population on Ward 3 has Sepedi as home language. The language profile in Ward 3 is very different from the profiles on local, district or provincial level where more than half of the population has Sepedi as home language.
### 3.2.3 Education

About a fifth of the people in Ward 3 aged 20 years or older have completed an education higher than Grade 12 (Figure 7), which is much higher than on local, district or provincial level. Just over half of the population in the Ward has not completed secondary schooling (Grade 12 or equivalent). This is a lower proportion than on local, district or provincial level.
3.2.4 Employment, livelihoods and economic activities

About two thirds of people aged between 15 – 65 years in Ward 3 are employed (Figure 8), with more than 70% of this group being employed in the formal sector (Figure 9). The level of employment on ward level is much higher than on local, district or provincial level.
The lowest proportion of people with no annual household income is on ward level (Figure 10). Less than 50% of the households in Ward 3 had an annual household income of below R38 201 in 2011.
Statistics South Africa (2015) has calculated the Food Poverty Line (FPL) for the Limpopo Province as R338 per capita per month for 2011 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 for the Limpopo Province was R485 per capita per month in 2011 and the UBPL R627 per capita per month respectively. More recent poverty lines than the rebased poverty lines for 2011 are not available. Based on this, a household with four members needed an annual household income of approximately R17 000 in 2011 to be just above the FPL. When comparing this with the SAMPI data it seems as if there are slightly 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 there were to be converted into a Rand value, the poverty line picture may have a closer resemblance to the SAMPI data.

### 3.2.5 Housing

Ward 3 has both the largest proportion households that live in urban areas and that live on farms (Table 5). Although the majority of Ward 3 covers farms, a part of Onverwacht is included in the ward. No areas in Ward 3 are classified as traditional residential (Figure 11).

<table>
<thead>
<tr>
<th>Area</th>
<th>Urban</th>
<th>Tribal/Traditional</th>
<th>Farm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limpopo Province</td>
<td>17.9</td>
<td>77.7</td>
<td>4.4</td>
</tr>
<tr>
<td>Waterberg DM</td>
<td>48.8</td>
<td>40.8</td>
<td>10.4</td>
</tr>
<tr>
<td>Lephalale LM</td>
<td>38.8</td>
<td>46.7</td>
<td>14.5</td>
</tr>
<tr>
<td>Ward 3</td>
<td>56.8</td>
<td>0.0</td>
<td>43.2</td>
</tr>
</tbody>
</table>

Figure 11: Enumeration area types (shown in percentage, source: Census 2011)
More than three quarters of households in Ward 3 live in houses or brick structures on separate stands or yards (Figure 12), with informal dwellings the second most used dwelling type.

**Figure 12: Dwelling types (shown in percentage, source: Census 2011)**

The incidence of households renting their dwellings is much higher on ward level than on local, district or provincial level (Figure 13). This might be as a result of mining and construction activities in the area. Just over a fifth of households on ward level has indicated that they occupy their dwellings rent-free. These households consist most likely of farm workers and households living in informal dwellings.
Households in ward level tend to consist of less members than on local, district or provincial level (Figure 14), with about two thirds of the households consisting of only one or two members. This can most likely be attributed to mining and construction activities in the area that attract migrant workers.

Figure 14: Household size (shown in percentage, source: Census 2011)
3.2.6 Access to basic services

Access to basic services such as water, sanitation and electricity relate to standard of living according to SAMPI (Statistics South Africa, 2014). Households that use paraffin, candles or nothing for lighting; or fuels such as paraffin, wood, coal, dung or nothing for cooking or heating; have no piped water in the dwelling or on the stand and do not have flush toilets can be described as deprived in terms of these basic services.

About two thirds of the households in Ward 3 get their water from a regional or local water scheme (Figure 15), while just over a quarter get their water from a borehole. The proportion of households that get their water from boreholes is much higher than on local, district or provincial level.

**Figure 15: Water source (shown in percentage, source: Census 2011)**

<table>
<thead>
<tr>
<th>Source</th>
<th>Limpopo Province</th>
<th>Waterberg DM</th>
<th>Lephalale LM</th>
<th>Ward 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>62.2</td>
<td>67.5</td>
<td>68.2</td>
<td>63.0</td>
</tr>
<tr>
<td>Water tanker</td>
<td>3.1</td>
<td>4.2</td>
<td>3.6</td>
<td>3.9</td>
</tr>
<tr>
<td>Water vendor</td>
<td>4.4</td>
<td>5.5</td>
<td>4.2</td>
<td>3.4</td>
</tr>
<tr>
<td>River/stream</td>
<td>15.1</td>
<td>19.2</td>
<td>20.2</td>
<td>26.4</td>
</tr>
<tr>
<td>Dam/pool/stagnant water</td>
<td>5.5</td>
<td>2.3</td>
<td>2.4</td>
<td>3.1</td>
</tr>
<tr>
<td>Rain water tank</td>
<td>6.2</td>
<td>3.6</td>
<td>3.6</td>
<td>2.5</td>
</tr>
<tr>
<td>Spring</td>
<td>2.4</td>
<td>3.4</td>
<td>3.9</td>
<td>3.1</td>
</tr>
<tr>
<td>Borehole</td>
<td>3.6</td>
<td>2.4</td>
<td>3.1</td>
<td>5.5</td>
</tr>
</tbody>
</table>

About 60% of households in Ward 3 have access to piped water inside their dwellings (Figure 16), a much higher proportion than on local, district or provincial level, while about a third of the households have access to piped water inside their yards.
Access to electricity for lighting purposes give an indication of whether a household has access to electricity, as poor households sometimes only use electricity for lighting, but use other sources of energy for heat and cooking. The incidence of households with access to electricity on ward level is slightly higher than on local level (Figure 17), but similar to district and provincial level with about 85% of households having access to electricity for lighting purposes.
More than two thirds of households on ward level have access to flush toilets that is either connected to a sewerage system (Figure 18), this is much higher than on local, district or provincial level.
Just over two thirds of the households on a ward level have their refuse removed by a local authority at least once a week (Figure 19), while about a quarter has indicated that they had their own refuse dumps. Households on farms tend to have their own refuse dumps.

**Figure 19: Refuse removal (shown in percentage, source: Census 2011)**

3.3 Discussion of receiving environment

The receiving environment is located in Ward 3 of the Lephapale Local Municipality that is located in the Waterberg District Municipality in the Limpopo Province. The proposed site is located approximately 30 km west of the town of Lephalale, in the rural area of Steenbokpan. The Waterberg region is regarded as a strategic growth node for various activities within the Mining and Minerals sectors. The main economic sectors in the municipal area are mining, electricity and agriculture. Hunting and tourism are the main tourism activities and there are a number of hunting farms in the Steenbokpan area.

The population in the municipality showed an increase of about 18% between 2011 and 2016, while the number of households have increased with just over 40%. Together with the increase in construction and mining activities in the area, this
suggests an increase in the number of migrant workers in the area, which is also supported by the high proportion of households that consists of one or two members.

Despite the apparent increase in economic activity in the area, levels of poverty have increased. Potential reasons for this are that the people who migrated to the area by far outnumber the available employment opportunities, or that contract workers who are only in the area for a relatively short period of time start families, which they leave behind when they move to the next contract, and the family that stays behind then struggles without their financial contribution. Another possible reason is price increases due to a high demand for certain items.

The majority of the population in the municipality belong to the Black population group, but in the ward there is a high proportion of people belonging to the White population group. This suggests that the ward is culturally more diverse than the municipal area as a whole. People in the ward tend to be older, and as such can be expected to be in a different life stage than the average municipal resident. The main languages spoken in the ward are Afrikaans, Setswana and Sepedi, making the ward culturally different from the municipal area.

Education levels on ward level is higher than on municipal level and unemployment levels are lower. The household income levels on ward level is higher than on municipal level and suggest a greater variety of skills levels. There is a high demand for rented accommodation, and this is supported by the relatively high proportion of households that rent their dwellings as well as the high incidence of informal dwellings (in backyards and informal settlements) on municipal and ward level.

The detailed description of the area highlights the following important aspects:

- Documentation used for communicating about the project should be available in English, Afrikaans, Setswana and Sepedi;
Due to the high incidence of mining and construction activities, as well as education levels, it is likely that a variety of the required skills would be available on local level.

Housing for contractors may not be freely available, and might be costly if available. Consideration should be given in advance to the accommodation of construction workers and employees.

4 Stakeholder Identification and Analysis

4.1 Approach

Stakeholder analysis in the context of SIA is the process of identifying and describing the individuals or groups that are likely to affect or be affected by the proposed activity. These stakeholders are then grouped according to their impact on the proposed activity and the impact the proposed activity will have on them. This information is used to assess the social impacts on each stakeholder group.

A stakeholder for this project is defined as any person or organisation that can be positively or negatively impacted on, or causes an impact on the proposed project. Types of stakeholders are:

- **Primary stakeholders** - those ultimately affected, either positively or negatively by the proposed project.

- **Secondary stakeholders** - the ‘intermediaries’, that is, persons or organisations who are indirectly affected by the proposed project.

- **Key stakeholders** (can also belong to the first two groups) – those have significant influence upon or importance within the proposed project. (Adapted from WWF, 2005 and Gawler, 2005).

The goal of stakeholder analysis is to develop a strategic view of the human and institutional landscape, and of the relationships between the different stakeholders and the issues they care about most.
The stakeholder analysis will help the project identify:

- The interests of all stakeholders who may affect or be affected by the project;
- Potential conflicts or risks that could jeopardise the initiative;
- Opportunities and relationships that can be built on during implementation;
- Groups that should be encouraged to participate in different stages of the project;
- Appropriate strategies and approaches for stakeholder engagement; and
- Ways to reduce negative impacts on vulnerable and disadvantaged groups (WWF, 2005).

Although the full participation of stakeholders in both project design and implementation is a key to successful project implementation, success cannot be guaranteed, as external aspects outside the control of the project team such as political will, the economic climate and other development also influence the social environment. Stakeholder participation:

- Gives people some say over how the project may affect their lives;
- Is essential for sustainability;
- Generates a sense of ownership if initiated early in the development process;
- Provides opportunities for learning for both the project team and stakeholders themselves; and
- Builds capacity and enhances responsibility (WWF, 2005).

Stakeholder participation should therefore be encouraged during the construction and operational phases of the proposed project.
4.2 Preliminary list of stakeholders

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

- Government and parastatals
  - Limpopo Province;
  - Waterberg District Municipality;
  - Lephalale Local Municipality.

- Civil society
  - Surrounding towns and communities (Steenbokpan, Lephalale);
  - Private landowners;
  - Agricultural organisation.

- Business

It must be noted that this list can change during the SIA phase and more stakeholders that emerge may be added.

5 Description of potential impacts

5.1 Social changes versus social impacts

It is important to understand the difference between a social change process and a social impact. For the purpose of the SIA report both these categories will be investigated. For the purpose of this report, only possible social impacts will be mentioned.

Social change processes are set in motion by project activities or policies. Social change processes can be measured objectively, independent of the local context. Examples of a social change process are increase in the population, relocation or
presence of temporary workers. Under certain circumstances these processes may result in social impacts, but if managed properly 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).

The following categories of social change processes should be investigated in a SIA:

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

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). The following categories of social impacts will be 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;
- Gender impacts.

In conclusion, it is very likely that a number of social changes processes will be set in motion by the project. Whether these processes result in social impacts will depend on the successful implementation of suggested mitigation measures. Having said that, it must be considered that the social environment is dynamic and constantly changing, making it difficult to predict exact impacts. External processes not related to the project, like political changes or global economic changes can alter the social environment in a short period of time, and therefore alter the predicted impacts.

5.2 Preliminary social impacts

Sources of social impacts are often not as clear-cut as those in the biophysical environment. Social impacts are not site-specific, but occur in the communities surrounding the proposed site – where the people are. The following is a list of some of the possible impacts that may occur as a result of the project. It must be stated that the list is not exhaustive and should be expanded on in the EIA phase when consultation with stakeholders will take place. Mitigation measures are context specific and the mitigation measures in this report should be viewed as guidelines and may change once consultation with stakeholders has taken place. These impacts should be investigated further in the Environmental Impact Assessment phase of the project. Table 6 shows impacts that can occur in the different phases of the project.
and suggests possible mitigation measures. These measures can be refined once further stakeholder consultation has taken place.

Table 6: Preliminary impacts in the different phases of the project.

<table>
<thead>
<tr>
<th>Possible impacts</th>
<th>Possible mitigation measures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PLANNING AND DESIGN PHASE</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Expectations</strong> regarding creation of opportunities (Jobs etc.)</td>
<td>Transnet must put a communication strategy in place that will communicate in an open and honest way what kind of jobs will be created, who will qualify and how the recruitment process will work.</td>
</tr>
<tr>
<td><strong>Social license to operate</strong></td>
<td>Social license to operate are often based on public perception. Transnet should compile a community relations plan to engage with stakeholders and deal with public enquiries regarding all its activities.</td>
</tr>
<tr>
<td><strong>CONSTRUCTION PHASE</strong></td>
<td></td>
</tr>
<tr>
<td>Impacts of traffic on people – dust, noise, safety, increase in traffic – from a social and nuisance perspective.</td>
<td>Heavy vehicles should travel during off peak times and should be clearly marked. Relevant mitigation proposed in the biophysical studies should be adhered to.</td>
</tr>
<tr>
<td>Impacts on livelihoods – of landowners.</td>
<td>Sense of place and the visual landscape are crucial components of the hunting and eco-tourism sectors. Transnet should take this into consideration in their planning and designs and adhere to the mitigation of the bio-physical studies,</td>
</tr>
<tr>
<td>Safety of community – possible increase in crime due to increased number of strangers in community.</td>
<td>Contractors should wear some form of identification that will make them easily recognizable as representatives from Transnet. Transnet should liaise with the communities to draft an action plan against potential crime.</td>
</tr>
<tr>
<td>Possible impacts</td>
<td>Possible mitigation measures</td>
</tr>
<tr>
<td>------------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>Negative community relations due to conduct of contractors/representatives of Transnet.</td>
<td>A protocol must be put in place that stipulates how contractors / representatives of Transnet should conduct themselves when they move around in the area, especially when they need to perform tasks on private property. This would include finding out what the community will expect of them, for example making appointments, being clearly identifiable, etc. The protocol should also state the consequences of not adhering to the rules.</td>
</tr>
<tr>
<td><strong>Influx of people</strong> – also possible social disintegration and cultural differentiation, increase in HIV/AIDS etc.</td>
<td>Develop and implement an Influx Management Strategy as per IFC Guidelines on Influx Management.</td>
</tr>
<tr>
<td><strong>Creation of jobs</strong> and other economic opportunities.</td>
<td>Contractors should be required to make use of a certain proportion of local labour – it is acknowledged that not all skills will be available locally. Jobs should be advertised in a way that is accessible to all members of society and labour desks should be established in accessible areas.</td>
</tr>
<tr>
<td>For some stakeholders their sense of place may change.</td>
<td>It is mostly not possible to mitigate impacts on the sense of place. Input should be obtained from current landowners.</td>
</tr>
<tr>
<td>Change in property values</td>
<td>It is difficult to mitigate changes in property values as it is an external process which is affected by numerous variables. This impact cannot be mitigated by Transnet, but adhering to mitigation measures of the bio-physical</td>
</tr>
<tr>
<td>Possible impacts</td>
<td>Possible mitigation measures</td>
</tr>
<tr>
<td>------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Negative <strong>community relations</strong> due to conduct of contractors/representatives of Transnet.</td>
<td>A protocol must be put in place that stipulates how contractors / representatives of Transnet should conduct themselves when they move around in the area, especially when they need to perform tasks on private property. This would include finding out what the community will expect of them, for example making appointments, being clearly identifiable, etc. The protocol should also state the consequences of not adhering to the rules.</td>
</tr>
<tr>
<td><strong>Creation of jobs</strong> and other economic opportunities</td>
<td>Preference should be given to local labour that is within easy travelling distance from the site of work. It may be necessary to put skills development programmes in place to develop local skills. Jobs should be advertised in a way that is accessible to all members of society and labour desks should be established in accessible areas.</td>
</tr>
<tr>
<td>For some stakeholders the <strong>sense of place</strong> will change</td>
<td>Sense of place cannot be mitigated. Social change is a natural process that will occur over time regardless of whether the project proceeds or not and the presence of the project will just accelerate this process.</td>
</tr>
<tr>
<td>Change in <strong>quality of living environment</strong> due to environmental nuisance such as noise, increased traffic and light</td>
<td>Mitigate these impacts according to the recommendations of the bio-physical studies, such as noise, light and visual.</td>
</tr>
<tr>
<td>Change in <strong>tourism potential</strong></td>
<td>This impact cannot be mitigated by Transnet, but adhering to mitigation measures of the bio-physical</td>
</tr>
</tbody>
</table>
### Possible impacts

<table>
<thead>
<tr>
<th>Possible mitigation measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>studies would assist in minimising the impacts.</td>
</tr>
</tbody>
</table>

**Safety** of community – possible increase in crime due to increased number of strangers in community.

Contractors should wear some form of identification that will make them easily recognizable as representatives from Transnet. Transnet should liaise with the communities to draft an action plan against potential crime.

Change in **property values**

It is difficult to mitigate changes in property values as it is an external process which is affected by numerous variables. This impact cannot be mitigated by Transnet, but adhering to mitigation measures of the bio-physical studies should assist in minimising this impact.

### DECOMMISSIONING PHASE

<table>
<thead>
<tr>
<th>Loss of jobs and associated income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning for closure and portable skills training for employees.</td>
</tr>
</tbody>
</table>
6 Detailed plan of study for the EIA and EMP

In terms of the way forward, it is believed that a participatory approach is the best way to approach social impact assessment in the South African context. The World Bank Social Standards, Equator Principles, International Principles for Social Impact Assessment and the SIA Guidance document published by the IAIA will be applied in the study. It must be noted that international standards and principles will be adapted to ensure that it can be applied in the local social context. The methodology proposed focuses on involving the affected public in the research and planning where it is realistically possible and executable. Different methodologies will be utilised to ensure the affected communities are consulted in the way that is most appropriate to the community.

The following activities will form part of the process forward:

- Fieldwork will be conducted to obtain additional information and communicate with key stakeholders. Key stakeholders are likely to include:
  - Authorities: local municipalities that fall in the project area.
  - Affected parties: communities that will be affected by the project, farm labourers and farmers.
  - Interested parties: local business in the area, community-based organisations and non-governmental organisations within the affected communities, trade unions, and political groups.

- Methodologies will include in-depth interviews, participatory rural appraisal, in-the-moment discussion groups, focus groups and immersions. Field notes will be kept of all interviews and focus groups. Initial meetings have been conducted.

- An interview schedule might be utilised instead of formal questionnaires. An interview schedule consists of a list of topics to be covered, but it is not as
structured as an interview. It provides respondents with more freedom to elaborate on their views.

- The final report will focus on current conditions, providing baseline data. Each category will discuss the current state of affairs, but also investigate the possible impacts that might occur in future. The impacts identified in the scoping report will be revisited and rated accordingly. New impacts that have not been identified will be added to the report. Recommendations for mitigation will be made at the end of the report.

- The SIA process will have a participatory focus. This implies that the SIA process will focus strongly on including the local community and key stakeholders.

- The public consultation process needs to feed into the SIA.

- Impacts will be rated according to significance (severity), probability, duration, spatial extent and stakeholder sensitivity.

Information obtained through the public processes will inform the writing of the final SIA and associated documents.

7 Conclusion

The aim of this report is to give a baseline description of the social environment and to identify preliminary impacts to be used in the scoping phase of the Environmental Impact Assessment. A more in-depth assessment of social impacts and possible mitigation measures will be possible once further stakeholder consultation has taken place. A number of potential impacts has been identified. None of these possible impacts is seen as a fatal flaw in the possible successful execution of the proposed project, but this can only be confirmed once fieldwork has been done and the potential impacts have been finalised and assessed. Most of the potential impacts can be mitigated. The importance of addressing the potential impacts as early in the project cycle as possible must be underlined, since failure to do so may result in the development of risks and an exponential increase in project cost.
8 Assumptions, uncertainties and gaps in knowledge

The following assumptions and limitations were relevant:

1. The socio-economic 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. 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.

2. 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.

3. Social impacts commence when the project enters the public domain. Some of these impacts are thus already taking place, irrespective of whether the project continues or not. These impacts are difficult to mitigate and some would require immediate action to minimise the risk.

4. 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.
9 References


**World Wide Web:**

http://www.municipalities.co.za (accessed 08/08/2018)