



**ENVIRONMENTAL IMPACT
ASSESSMENT PROCESS**

**METALS INDUSTRIAL CLUSTER NEAR
KURUMAN, NORTHERN CAPE
PROVINCE**

**ENVIRONMENTAL IMPACT
ASSESSMENT (EIA) PHASE**

PUBLIC PARTICIPATION PROCESS

FOCUS GROUP MEETING

Savannah Environmental (Pty) Ltd

Contact: Gabriele Wood

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Sunninghill, 2157

Tel: 011 656 3237

Fax: 086 684 0547

E-mail: gabriele@savannahsa.com

**HELD ON
TUESDAY 16 AUGUST 2016**

VENUE

EL DORADO HOTEL, MAIN ROAD, KURUMAN

Notes for the Record prepared by:

Savannah Environmental

Please address any comments to Gabriele Wood at the above address.

KURUMAN METALS INDUSTRIAL CLUSTER, NORTHERN CAPE PROVINCE

Venue: El Dorado Hotel, Main Road, Kuruman
Date: Tuesday 16 August 2016
Time: 09:00

WELCOME AND INTRODUCTION

Gabriele Wood of Savannah Environmental welcomed all in attendance and introduced herself as the public participation consultant for the Environmental Impact Assessment (EIA) process being undertaken for the construction of the proposed Metals Industrial Cluster near Kuruman in the Northern Cape Province. She noted that the project is being proposed by the Northern Cape Department of Economic Development and Tourism and that Savannah Environmental has been appointed as the independent environmental consultant to undertake the EIA process for the project.

Ms Wood thanked the members of the meeting for availing themselves for the meeting and requested them to introduce themselves (refer to the attendance register below).

Gabriele Wood noted that the Scoping Phase of the EIA process commenced in April 2016 and that as part of the public participation process a meeting was held on 26 April 2016 with Cornie de Jager of the El Dorado Hotel which is located adjacent to the proposed development site (Portion 6253 of Erf 1). She said that the purpose of the initial meeting with Cornie de Jager was to introduce the project and record any issues of specific concern regarding the project. She explained that issues and concerns regarding the potential impacts of the proposed development on the Hotel's business were raised and subsequently recorded and included in the final Scoping Report which was submitted to the Northern Cape Department of Environment and Nature Conservation (DENC).

Gabriele Wood stated that the DENC accepted the Scoping Report on 21 June 2016 and that it was requested that the concerns raised by the El Dorado Hotel be addressed in the EIA Phase and Report. She said that the purpose of the meeting was to provide Cornie de Jager with an opportunity to reiterate her issues and concerns regarding the project further to the meeting held in April 2016 and to determine a way forward in addressing the concerns raised.

MEETING ATTENDEES

Name	Organisation & Position
Cornie de Jager (CdJ)	El Dorado Hotel – Director (Adjacent Landowner)
Eddie Ntefang (EN)	Ga-Segonyana Local Municipality – Municipal Manager
Baganne Choche (BC)	Ga-Segonyana Local Municipality – Town Planner
Derek Martin (DM)	Northern Cape Department of Economic Development and Tourism – Chief Director: Trade and Sector Development
Yanda Gqabaza (YG)	Northern Cape Department of Economic Development and Tourism – Director: Trade and Sector Development

Name	Organisation & Position
Gabriele Wood (GW)	Savannah Environmental – Public Participation Consultant

PROJECT BACKGROUND

Gabriele Wood provided an overview of the Metals Industrial Cluster project and described the need and desirability thereof as identified by the Northern Cape Department of Economic Development and Tourism. Yanda Gqabaza of the Northern Cape Department of Economic Development and Tourism presented the prospectus and conceptual design and layout of the project (refer to the attached presentation and preliminary layout map).

DISCUSSION SESSION

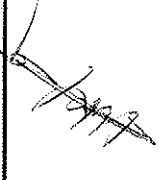




No.	Question / Comment	Response
1.	EN: A technical college is planned to be developed adjacent to the El Dorado Hotel (to the west) and the proposed Metals Industrial Cluster (to the north) by Assmang Ltd. The Municipality has informed Assmang of the proposed Metals Industrial Cluster and they have not raised any objections against the development.	GW: Comment noted. Please provide the contact details of the relevant contact person at Assmang so that they can be included as an Interested and Affected Party (I&AP) on the project's database.
2.	CdJ: There is an existing industrial area in Kuruman which has not been used to its full potential. Why can't this project be developed in the existing industrial area in Kuruman?	BC: The existing industrial area is well utilized and fully subscribed. The existing industrial area does not have the capacity to accommodate the Metals Industrial Cluster. The existing industrial area does not provide for future expansion because it is located on the boundary of the urban edge.
3.	CdJ: This development will cause an increase in noise, dust and traffic during the construction and operation phases of the project. There will also be a lot of light at night. One of the main reasons why guests come here is because it is quiet and safe.	GW: The draft EIA Report and Environmental Management Programme (EMPr) will assess nuisance impacts and recommend the appropriate mitigation and management measures. SANRAL has requested that a traffic impact assessment be undertaken as part of the EIA process. This will be included in the draft EIA Report. BC: Nuisance impacts of the development will be limited once construction is complete. It is unlikely that the types of industries or businesses which would be located within Phase 1 of the Cluster would cause an increase in dust and noise as these will mainly be small-scale developments. Regarding traffic impacts, it should be noted that the development of a new secondary road is planned to be constructed in the long-term which will aid in diverting and diluting the


No.	Question / Comment	Response
		<p>traffic load. The planned road will come-off of the N14 and be constructed south of the Cluster and existing industrial area and will provide access to both developments. Ultimately truck traffic will be alleviated through the construction of this secondary road. The plans for this road are included in the current Spatial Development Framework (SDF).</p>
4.	<p>CdJ: The cluster could have a negative visual impact on the area's sense of place which will negatively impact the Hotel.</p>	<p>BC: Visual impacts can be managed through the implementation of appropriate mitigation measures such as screening by building a wall or planting trees. The EIA Report and EMPr must include mitigation measures that will address visual impacts.</p>
5.	<p>CdJ: What type of industries are going to be located in the industrial park?</p>	<p>BC: It is envisioned that light to medium industries will be included in Phase 1 of the Cluster, which is the corner located adjacent to the El Dorado Hotel.</p>
6.	<p>CdJ: Please define light to medium industries? What types of enterprises does this include?</p>	<p>BC: Light to medium industry in terms of the Municipality's scheme regulation comprise enterprises where no onsite manufacturing of goods, materials or equipment takes place, e.g. bulk retailers. Medium industries include businesses that undertake minor repair works and mechanics, but not manufacturing. It is unlikely that heavy industries will be included in the Cluster in the next 10 – 15 years based on the Municipality's SME and SMME database as the demand is low.</p>
7.	<p>BC: Savannah Environmental are requested to provide clarity on the noise thresholds, as per the existing legislation, in terms of light, medium and heavy industrial developments specifically relating to the distance of other developments, in the surrounding areas. This is required to determine the preferred locations of light, medium and heavy industries within the Cluster relative to the El Dorado Hotel. Clarity must also be provided in terms of the extent of the nuisance impacts in this regard.</p>	<p>GW: Comment noted, feedback will be provided in this regard.</p>
8.	<p>CdJ: The type of industries that will be developed in this cluster will have an influence on us. What is planned to be developed in Phase 1.</p> <p>I accept the proposal to locate light industry operations near to the El Dorado Hotel. I will however, object to heavy industries being located directly next to the Hotel.</p>	<p>YG: Phase 1 will include light industry SMMEs and SMEs which provide services to the mines. Phase 1 is planned to be developed over a 2-year period. Infrastructure will include office buildings, parking areas, warehouses and storage facilities and a skills-development center.</p>

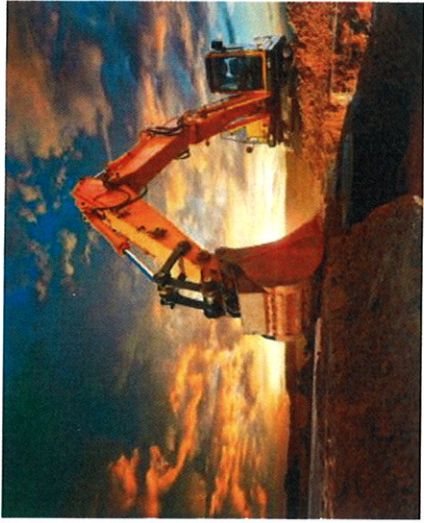
No.	Question / Comment	Response
9.	<p>CdJ: Industrial parks are not usually very attractive which would have a negative impact on the hotel.</p> <p>CdJ: I support the concept of developing an organised business environment and will consider collaborating with the Cluster in future.</p>	<p>YG: The Metals Industrial Cluster will be developed in an organised manner that will be driven by a Cluster Management Company (CMC) which will be responsible for managing and operating the Cluster. The CMC will focus on marketing the Cluster, establishing, maintaining and operating shared cluster infrastructure, facilities and services, and play a role in establishing, maintaining and extending institutional and knowledge linkages. The Cluster will be paved, landscaped and secured. The aim is to create a neat business park environment that would be attractive and well organised.</p>
10.	<p>CdJ: The Metals Industrial Cluster can either have a negative or positive impact on the El Dorado Hotel. I can see the Cluster being a benefit for us so that people can use the accommodation here instead of in town.</p>	<p>DM: It is not in the interest of government to contribute to the closure of a growing business. The Department of Economic Development and Tourism is mandated to expand and support business because it has the potential to employ more people. The Department would rather create an environment where people can grow and where business will grow which will ultimately result in the growth of the town. We would really want to work towards collaborating with the El Dorado Hotel and ensure that the Cluster is a positive development for Kuruman.</p>
11.	<p>CdJ: We support this development as long as the enterprises located adjacent to the Hotel are not noisy and messy. Personally I support any development in Kuruman as long as it undertaken sustainably and the concerns of affected parties are considered and addressed.</p>	<p>YG: We acknowledge your concerns and we look forward to collaborating with the Hotel in future.</p>

WAY FORWARD AND CLOSURE

In closing, Gabriele Wood noted that the draft Environmental Impact Assessment Report would be made available for comment towards the end of August 2016. She stated that the comments and issues raised will be recorded and included in the final Environmental Impact Assessment Report which will be submitted to the Northern Cape Department of Environment and Nature Conservation for consideration. She thanked the members of the meeting for availing themselves for the meeting and the inputs which were provided.

SAVANNAH ENVIRONMENTAL (PTY) LTD			ATTENDANCE REGISTER		
Project	Metals Industrial Cluster near Kuruman, Northern Cape Province		Meeting	Focus Group Meeting – El Dorado Hotel, Kuruman	
Date	Tuesday 16 August 2016	Time	09:00	Venue	El Dorado Hotel, Main Street, Kuruman
Organisation	Name & Postal Address	Contact Details	Signature		
1	<p>GAS ESONYANA LOCAL MUNICIPALITY</p> <p>Designation MUNICIPAL MANAGER</p> <p>El Dorado Hotel.</p> <p>Designation DIRECTOR</p>	<p>G. E. NTEFANE C/O SHOO & VOORTREKKEUR KURUMAN</p> <p>El Dorado Hotel Main Street Kuruman 8460</p>	<p>Tel : 053 712 9301 Fax : 053 712 3581 Cell : 082 802 9257 E-mail : eedre@ntefane.com</p>		
2	<p>El Dorado Hotel.</p> <p>Designation</p> <p>DIRECTOR</p>	<p>El Dorado Hotel Main Street Kuruman 8460</p>	<p>Tel : 053 712 2191 Fax : 053 712 3907 Cell : 082 823 5694 E-mail : eldorado1@telkomsa.net</p>		
3	<p>El-Segonyana Local Municipality</p> <p>Designation Town Planner</p>	<p>Baganne Choche C/o School & Voortrekker Streets Kuruman</p>	<p>Tel : (053) 712 9384 Fax : (053) 712 3581 Cell : 082 563 3293 E-mail : bchoche@ga-segonyana.gov.za</p>		
4	<p>DEPT OF ECONOMIC DEVELOPMENT & TOURISM</p> <p>Designation</p> <p>CHIEF DIRECTOR</p>	<p>DEREK MARTIN 2 Cecil Sussman Rd Kimberley</p>	<p>Tel : 053-830 4804 Fax : - Cell : 0824653752 E-mail : d.martin@ecdp.gov.za</p>		
5	<p>Department of Economic Development & Tourism Kimberley</p> <p>Designation DIRECTOR</p>	<p>YANCA GOABAZA 2 Cecil Sussman Road Kimberley 8301</p>	<p>Tel : 053 830 4831 Fax : - Cell : 082 339 9340 E-mail : GOABAZA@gmail.com</p>		

Organisation	Name & Postal Address	Contact Details	Signature
Savannah Environmental Designation	Gabriele Wood PO Box 48 Sunninghill, 2191	Tel : 011 656 3237 Fax : Cell : 083 458 5570 E-mail : gabriele@savannahsa.com	
Designation		Tel : Fax : Cell : E-mail :	
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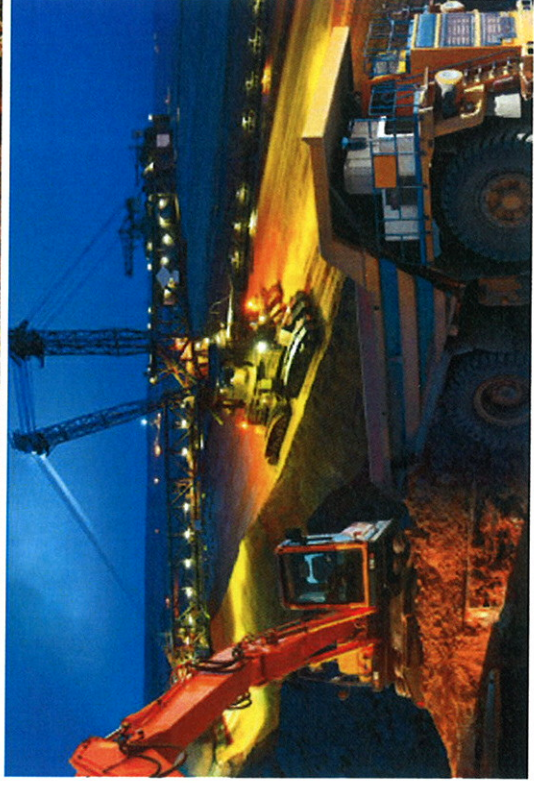
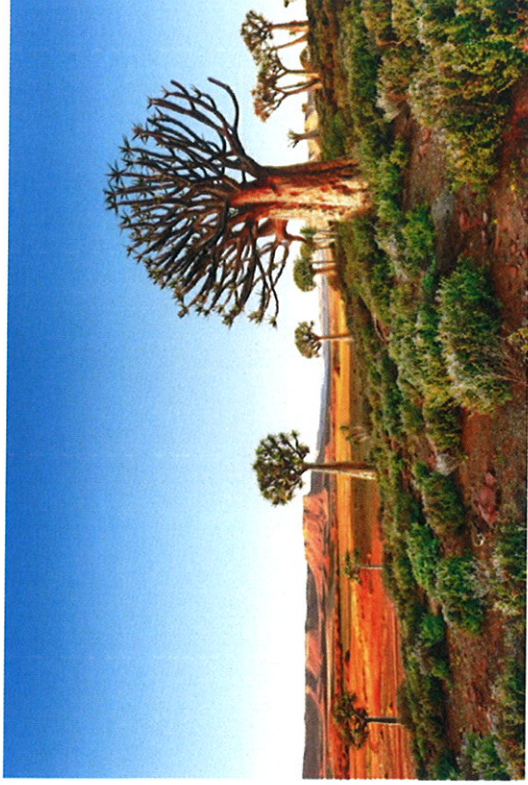
Prospectus

Metals Industrial Cluster

Kuruman – Northern Cape



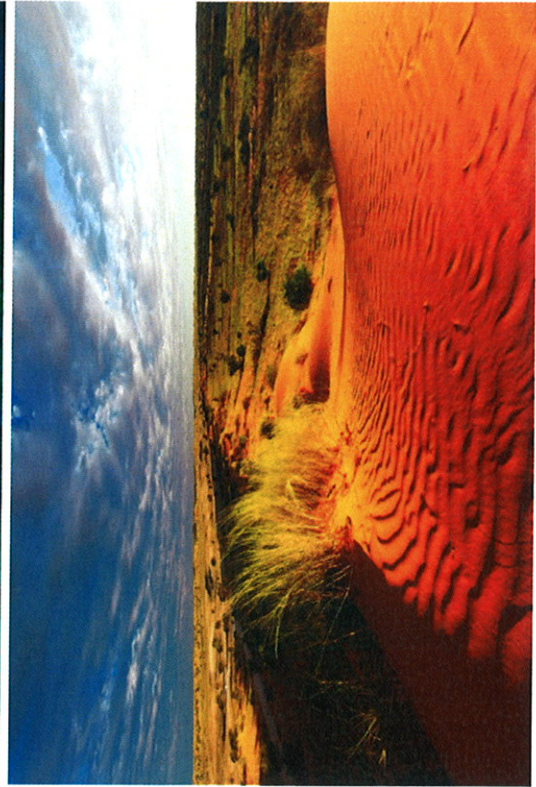
Background



▶ Northern Cape Metals Industrial Cluster:

- ▶ A cluster is a group of related business that are located in the same area for mutual benefit.
- ▶ The prospectus is based on a feasibility study commissioned by the Northern Cape Department of Economic Development and Tourism and conducted by the consultancy Redflank. The study concludes that the creation a mineral beneficiation cluster in the Northern Cape is feasible, will benefit cluster companies and have a positive impact on job creation and economic development in the Northern Cape.
- ▶ The Northern Cape is the largest of the nine provinces, taking up 30.5% of South Africa's land area. It borders on four other provinces, as well as the Atlantic Ocean to the west and the countries of Namibia and Botswana to the north, making it an ideal gateway to western African markets. The province lies to the South of its most important asset, the mighty Orange River, which provides the basis for both a healthy agriculture and an alluvial diamond industry.
- ▶ The Province offers profitable investment opportunities in minerals and metals processing, agriprocessing, fishing, aquaculture and tourism. Four investment corridors have been developed: Namaqua corridor; Karoo corridor; Diamond field-Kalahari corridor & Orange River basin. The growth in 2010 was a result of mining contributing 1.1 percentage points relative to the other economic sectors which jointly contributed a 0.7 percentage points.
- ▶ Although it is challenging to model the exact impact on individual companies at this stage, it is expected that firms will derive superior growth and profit margins from:
 - ▶ Close proximity to suppliers and markets
 - ▶ Synergies with other cluster companies
 - ▶ Government support and incentives

Why Northern Cape?



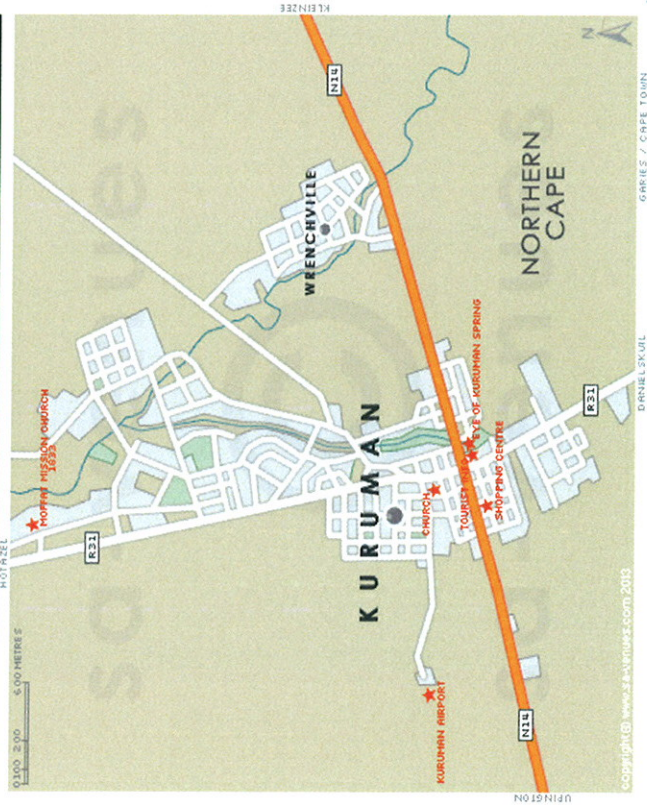
▶ Northern Cape Province:

- ▶ Has a relatively diversified economy. Mining accounts for the largest portion while construction has the lowest share. Finance, government services and the wholesale trade sectors have a significant share in the economy both accounting 14.4% of provincial GDP output.
- ▶ The province is richly endowed with natural beauty and resources that appeal to tourists who appreciate the vast open spaces and serenity it provides. The area is known worldwide for its spectacular annual explosion of spring flowers. The tourism industry exhibits significant growth potential. The province has a wealth of national parks and conservation areas.

▶ Factors that make the Northern Cape attractive for a Mineral Beneficiation Cluster:

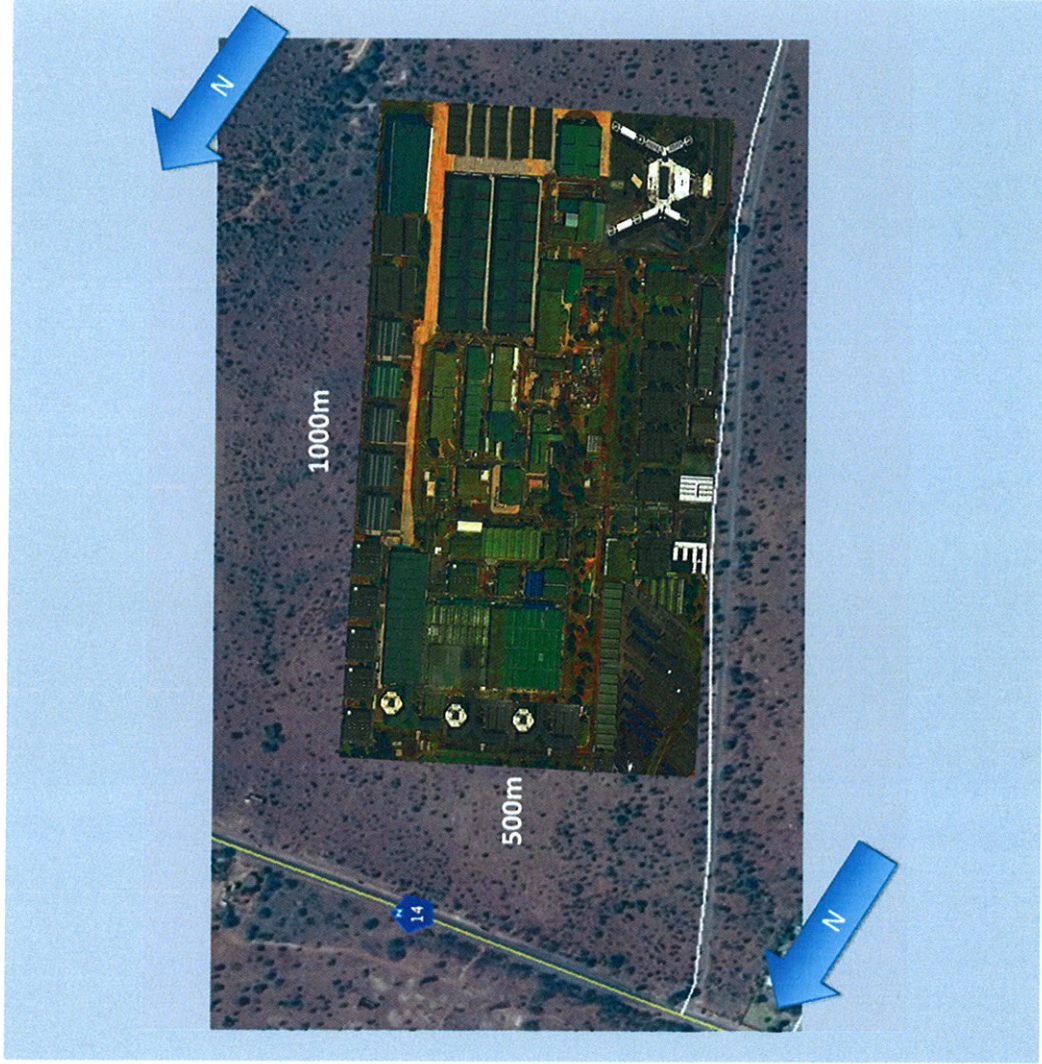
- ▶ **Extensive mineral wealth**
 - ▶ Northern Cape is SA's largest producer of iron ore (84%), diamonds, zinc, silver, manganese and lead
- ▶ **Easy port access**
 - ▶ Walvis Bay has low costs, efficient clearing and fast turnaround times
- ▶ **Excellent transport links**
 - ▶ International airport with cargo hub in Upington, access to De Aar rail interchange, good quality roads
- ▶ **Adequate electricity**
 - ▶ Access to 48,000 KVA of electricity from national grid
- ▶ **Adequate water**
 - ▶ Access to water from Orange River under current license
- ▶ **Quality skills**
 - ▶ Various education and training institutions

Why Kuruman?



- ▶ **Kuruman:**
- ▶ **Size of the Economy:**
 - ▶ Ga-Segonyana Local Economy contribution to John Taolo Gaetsewete (Kgalagadi) District economy – 38.4%
 - ▶ District Economy contribution to Provincial Economy – 18.7%
- ▶ **Economic Growth Performance (1995-2008):**
 - ▶ Ga-Segonyana Local Economy – Average Annual Growth of 5.5%
 - ▶ John Taolo Gaetsewe (Kgalagadi) District Economy –Average Annual Growth of 2.2%
- ▶ **Dominant Economic Contributors within the local economy:**
 - ▶ Ga-Segonyana Local Economy:
 - ▶ Mining – 32.3%
 - ▶ Trade – 15.0%
 - ▶ General government services – 14.0%
 - ▶ Finance and Business Services – 13.9%
 - ▶ Community, personal and social services – 12.0%
- ▶ **Tourist Attractions**
 - ▶ The Eye of Kuruman
 - ▶ Wonderwerk Cave
 - ▶ Boesmansgat Sinkhole
 - ▶ Kuruman Country Club
 - ▶ Moffat Mission
 - ▶ Sishan Golf Club (49.1 km from Kuruman)
 - ▶ Tswalu Kalahari Reserve (145 km from Kuruman)
 - ▶ Kimberley Bighole (204.1 km from Kuruman)

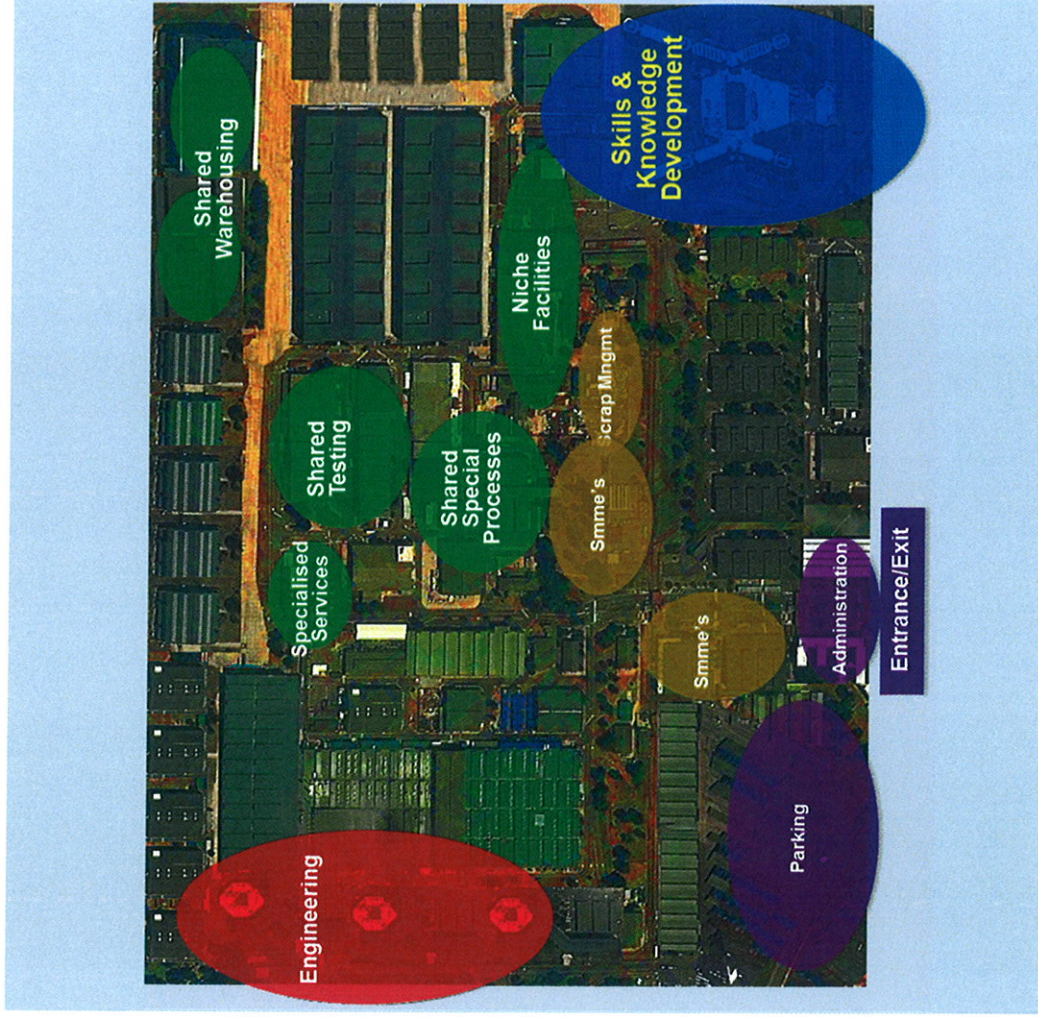
Description of Cluster



- ▶ **Metals Industrial Cluster:**
 - ▶ A cluster is a set of businesses, and related institutions, that operate in close proximity to one another. These businesses tend to be interconnected and focus on similar industries.
- ▶ **Location**
 - ▶ Outside Kuruman, next to the N14
- ▶ **Size**
 - ▶ 50ha demarcated
 - ▶ Service roads 10km
 - ▶ Perimeter fence 3080m
- ▶ **Time scale**
 - ▶ Short term: year 0-2
 - ▶ Medium term: year 3-6
 - ▶ Long term: year 7-20
- ▶ **Space utilization (% of plot area)**
 - ▶ Buildings 71%
 - ▶ Parking 4%
 - ▶ Landscaped area 10%

Description of the Cluster

- ▶ Shared Services:
 - ▶ Special processes
 - ▶ Specialised Operations that can change or affect the mechanical properties, including toughness, of the materials under production. Manufacturing special processes include specialised welding, forming and the application of protective treatments.
 - ▶ Testing facilities
 - ▶ Includes chemical analysis, mechanical testing, metallurgical analysis, and specialized testing and services such as witness testimony and consulting, failure analysis, reverse engineering, fastener testing, mine services, materials and process problem solving and critical component testing
 - ▶ Warehousing and storage
 - ▶ Environmentally controlled warehousing for inbound and outbound materials and products for all entities in the cluster. Includes sections for more stringent storage requirements in terms of temperature and humidity. Modern computerised inventory management system, accessible by all cluster entities.
 - ▶ Security services
 - ▶ State of the art perimeter and intrusion control, access control and CCTV cluster monitoring.
 - ▶ ICT services
 - ▶ High speed wired and wireless connectivity with appropriate data security levels. Entities protected by individual firewalls as required.
- ▶ Common Services
 - ▶ Entrance/Exit
 - ▶ Administration
 - ▶ Parking
 - ▶ Scrap management



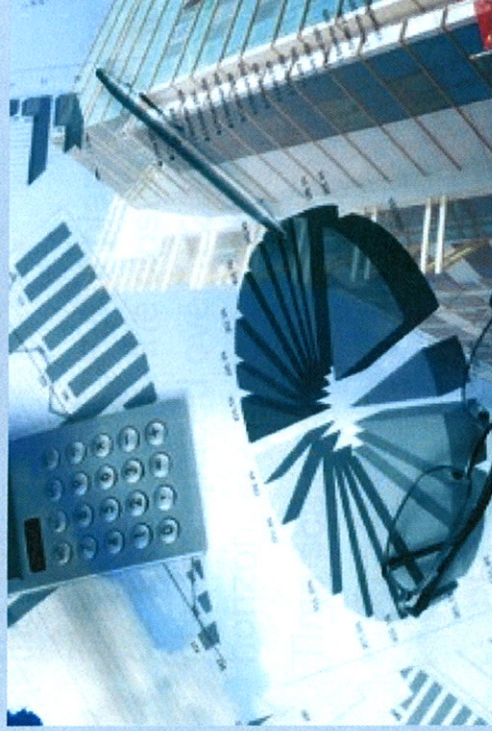
Benefits of the Cluster

- ▶ Local and national government incentives
- ▶ Improved access to inputs and end markets
- ▶ Greater profitability based on cluster economics
- ▶ Support from incubators and a cluster management company
- ▶ Free land and/or discounted rentals
- ▶ Lower operational cost
- ▶ Tax incentives
- ▶ Grants for manufacturing
- ▶ Shared services
- ▶ Economies of scope/scale
- ▶ Closer suppliers
- ▶ Investment opportunities
- ▶ Increase innovation,
- ▶ A supportive environment for start-ups and growing businesses



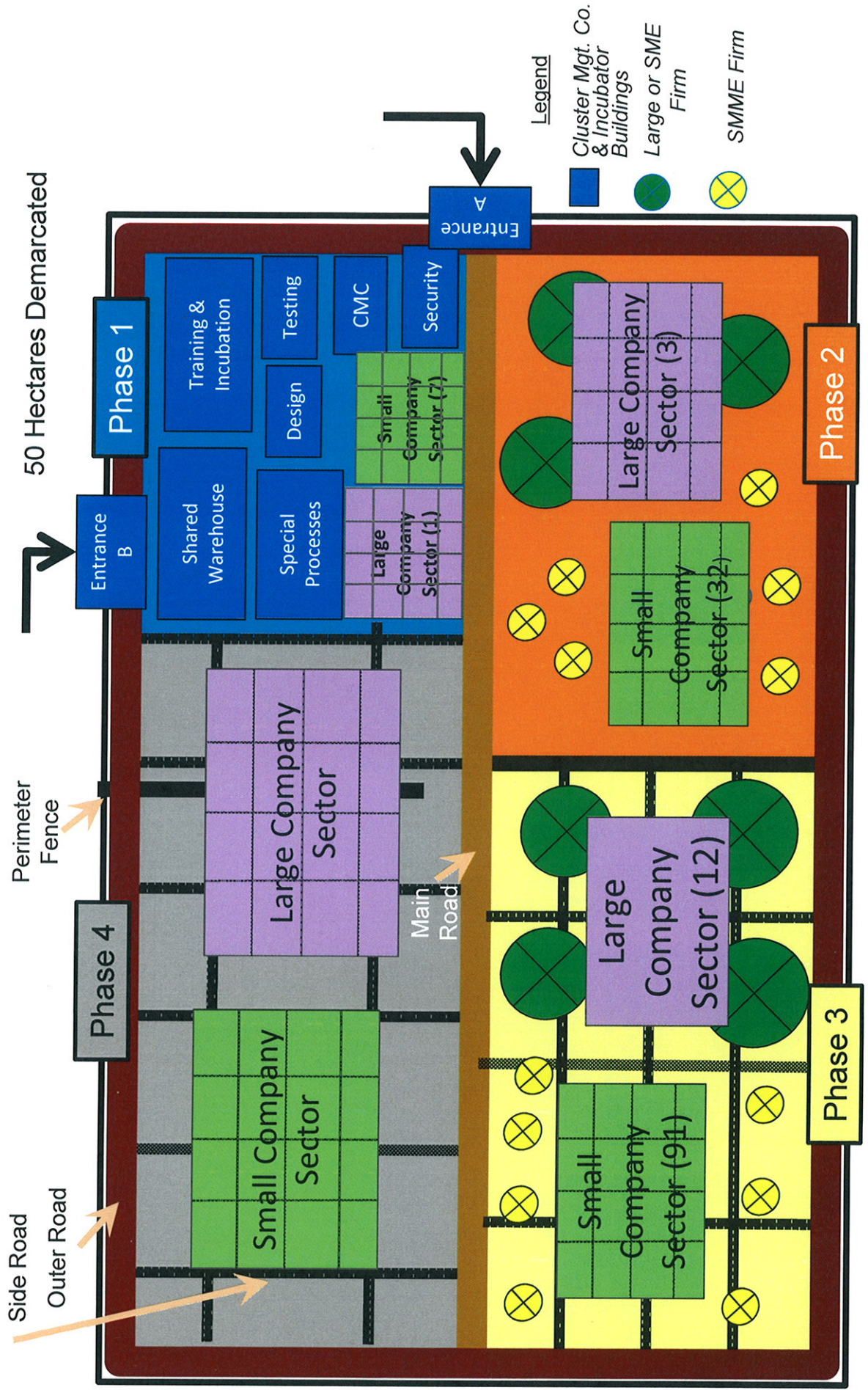
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Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA



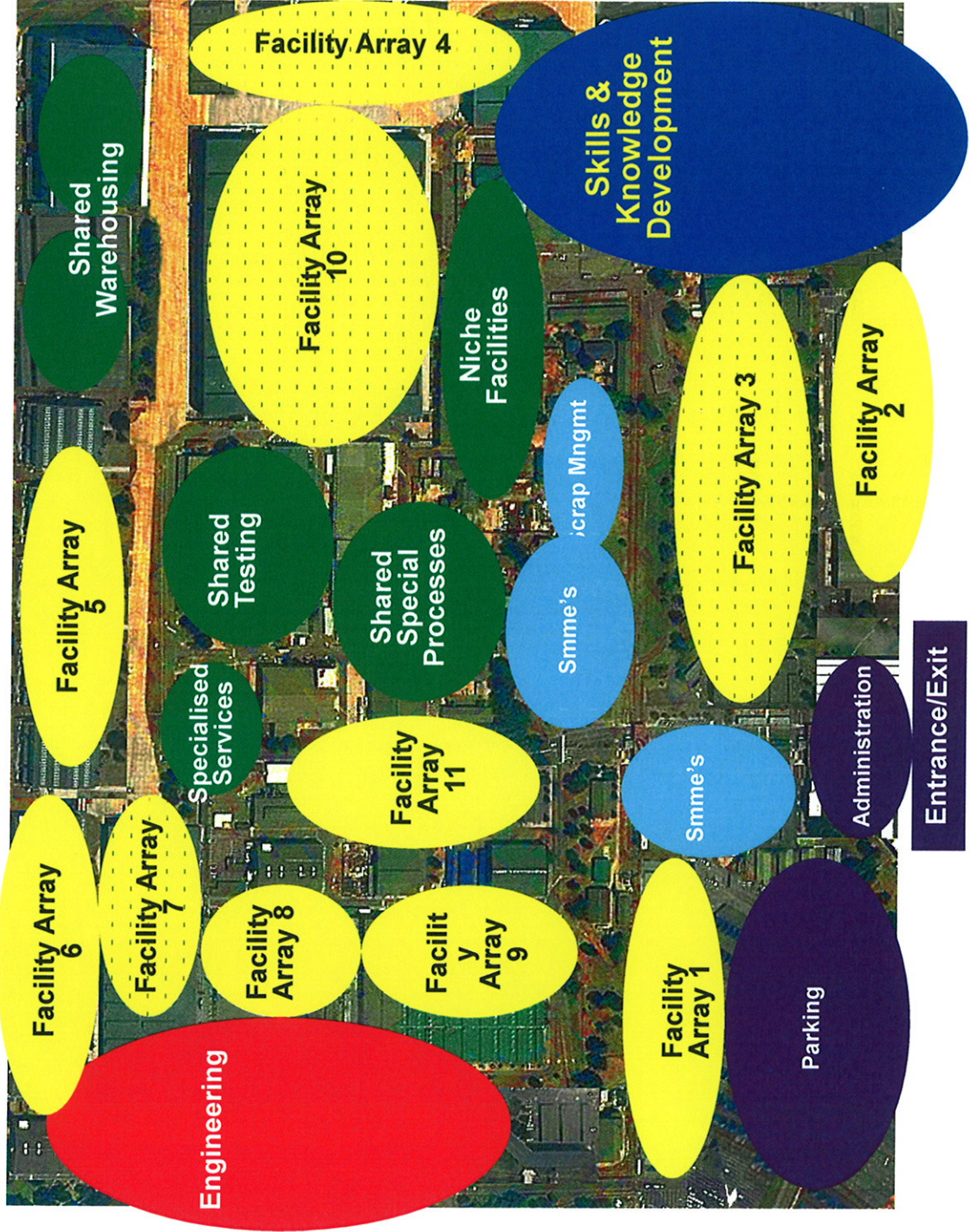


Conceptual Design





Layout & Categories





SMME'S

- SMME business service providers will include the following:
 - Security Services
 - Garden Services
 - IT Service Providers
 - Scrap Management
 - Financial Services
 - Supermarket
 - Food Court
 - Medical and Clinic Services
 - Car Wash & Valet
 - Facility Maintenance
 - Road Maintenance
 - Painting
 - Marketing Agency
 - Office Supplies
 - Travel Agency
 - Conference Centre
 - SEDA Office
 - Funding Services Office
 - Transportation
 - Coffee Shops
 - Signage





Technical Services

- Technical service providers will include the following:
 - Waste Management;
 - Skills Development Centre;
 - Hazardous Waste Management;
 - Testing Centre;
 - Special Services;
 - Special Processes;
 - Design Services;
 - Specialised Repair and Maintenance Services;

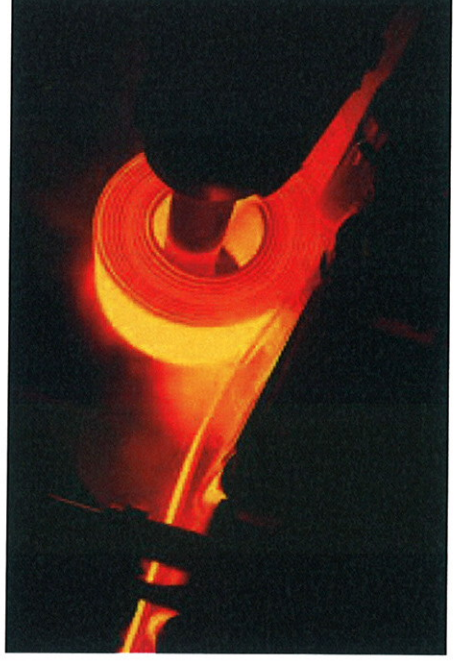




Shared Warehousing

Shared warehousing and storage shall include at least:

- Inbound and outbound materials and products for all entities in the Cluster;
- Delivery and distribution consolidation;
- Bonded warehousing;
- “Ring-fencing” enablement;
- Separate storage and management of hazardous materials;
- Environmentally controlled warehousing;
- Includes sections for more stringent storage requirements in terms of temperature and humidity;
- Modern computerised inventory management system, accessible by all cluster entities;
- Terminal management;
- Rigging and heavy lifting capacity;
- Container handling; and
- Pallet management.





Facilities



Manufactured Products	Complexity	Labour/Technology Impact
Conveyor Rollers	Medium	Medium Labour
Window Frames	Low	High Labour
Anchor Bolts	Medium	Medium Labour
Roofing	Medium	Medium labour
Fencing	Low to Medium	Medium Labour
Doors	Medium	Medium Labour + Medium Technology
Mining Equipment	High	High Labour + High Technology
Solar Frames	Low	Low Labour
Agricultural	Medium	Medium Labour

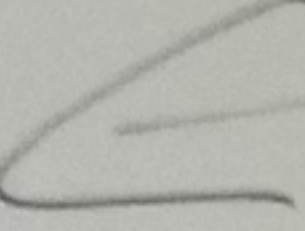
Manufactured Products	Complexity	Labour Impact/Technology
Mining Equipment	Medium to High	Medium Labour + High Skills
Agricultural	High	High Labour + High Skills
Fencing Installation	Medium	Medium Labour + Med. Skills
Roofing Installation	Medium	Medium Labour
Fencing	Low to Medium	Medium Labour + Medium Skills
Doors	Medium	Medium Labour + Medium Technology
General Infrastructure	Medium to High	Medium Labour + High Technology

Services	Complexity	Labour Impact/Technology
Computer Aided Design (CAD, etc.)	High	Low Labour + High Skills
Engineering	High	Low Labour + High Skills
Metallurgy	Very High	High Labour + High Skills
Transport	Medium	Medium Labour + Med. Skills
Procurement	Low to Medium	Medium Labour + Med. Skills
Contracting	High	Low Labour + High Skills

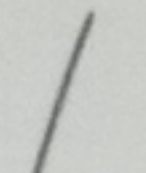
Hot



Kathy

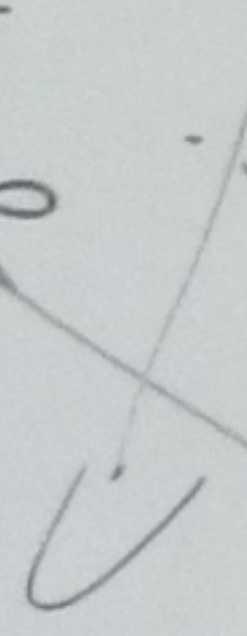
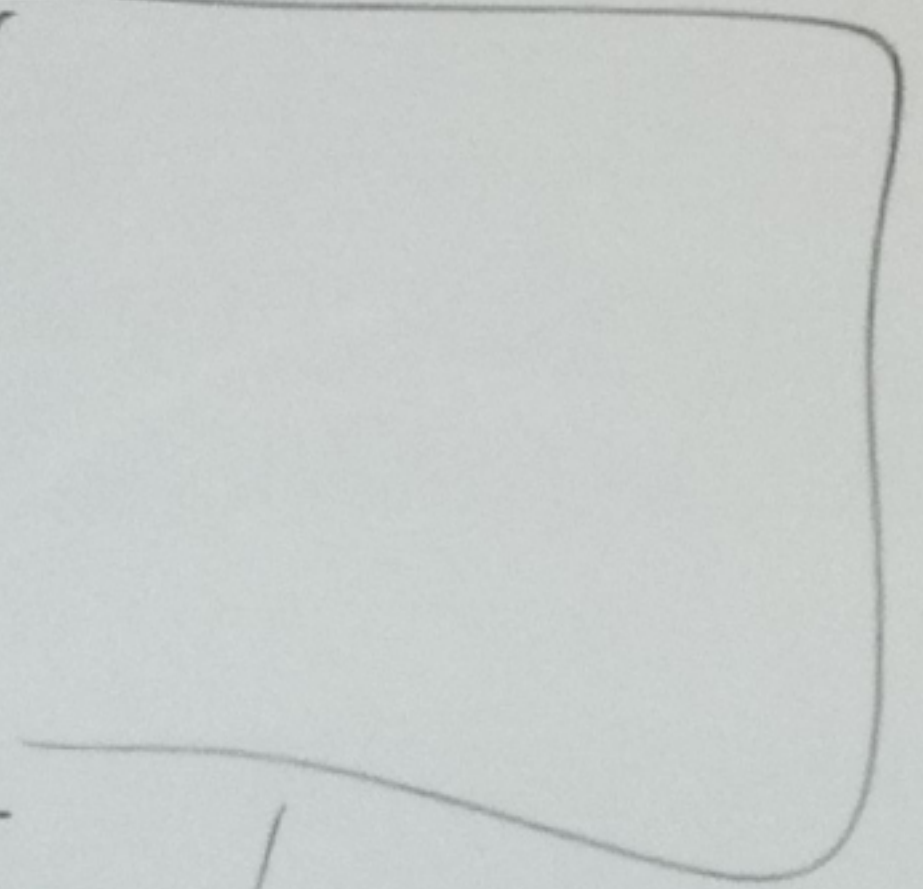


Tr



Kim

Urban Edge



1500

1500

3000

AZ

