

SOCIAL AND LABOUR PLAN PROJECTS – FY20




Progress made on project commitments in Harmony’s third generation social and labour plans

Project	Description	Beneficiaries	Impact	Budget	Status in FY20
Free State					
Local economic development strategy	A comprehensive local economic development strategy to support our host Matjhabeng local municipality in identifying socio-economic opportunities for the region	<ul style="list-style-type: none"> • Matjhabeng Local Municipality • Community • Small, medium and micro enterprises 	<ul style="list-style-type: none"> • The strategy has assisted the municipality and other interest-holders to focus investment and resources on impactful initiatives that will facilitate economic growth in the vicinity • Seven jobs created in FY20 	R200 000	Ongoing
Masemouse Primary School					
Labour-sending area (Lesotho)	Construction of four classrooms, an office/staff room, and an ablution facility at the Masemouse Primary School in Mafeteng, Lesotho	<ul style="list-style-type: none"> • Masemouse is the main primary school for many surrounding communities • Presently, the school accommodates 418 pupils in grades 1 to 7 and 11 teachers • Lesotho Government – Department of Education 	<ul style="list-style-type: none"> • The additional classrooms will lead to less congested classrooms allowing for more effective teaching and learning • 26 jobs created during construction 	R1 600 000	Completed
					
 Infrastructure					
Roads and aggregate	The main aim of the project is to improve the condition of road infrastructure in Matjhabeng. This infrastructure is critical to the economic development in and sustainability of the area. Phase 1, involving the upgrade of three main roads in Odendaalsrus, Welkom and Thabong, was completed in FY20. Phase 2, the upgrade of a road in Welkom and Thabong, is now underway	<ul style="list-style-type: none"> • Mathabeng Local Municipality • Local businesses • Local communities – total number of people in Welkom (64 130), Odendaalsrus (9 393) and Virginia (21 846) • In all, nine BEE companies and contractors have benefitted from the project 	<ul style="list-style-type: none"> • Use of local companies and suppliers helped to create 25 jobs • Contractors will be able to increase their CIBD (Construction Industry Development Board) rating 	R23 700 000	Ongoing
Road infrastructure (Welkom, Matjhabeng, Free State) As road infrastructure is essential to the integration into the national economy, Harmony has allocated funding to road-building in the Matjhabeng Local Municipality, including the resurfacing and resealing of roads in various towns/areas in the local municipality.					
					

SOCIAL AND LABOUR PLAN PROJECTS – FY20 CONTINUED

Project	Description	Beneficiaries	Impact	Budget	Status in FY20
Free State continued					
 Youth and small, medium and micro enterprise (SMME) development					
Virginia Sports Academy	Begun in 2003, to identify and develop talent within the sport and recreation sector, with a focus on rugby players attending Riebeeckstad High School and soccer players attending Unitas High School	<ul style="list-style-type: none"> 50 students benefit from this project annually Employees and students are all from the local communities within the Matjhabeng and Masilonyana municipalities Local schools Local and national rugby and soccer clubs 	<ul style="list-style-type: none"> Having run from 2003 and had more than 1 000 students participating, the project has had a significant impact on the lives of many talented young men Employs 20 people directly as sports coaches, cleaning, food preparation, drivers and administrative staff 	R7 105 736	Currently suspended due to the national lockdown – will be resumed once out of lockdown
  					
Virginia Jewellery School	Established in 2003 to develop and train local community youths as qualified goldsmiths	<ul style="list-style-type: none"> Young talented youths Entrepreneurs Community 48 community youths attended training between 2017 and 2019 13 learners successfully completed their trade tests since 2017 Seven learners opened their own small jewellery businesses 	<ul style="list-style-type: none"> The project has had a significant impact on local youths to become qualified goldsmiths The school was closed in August 2019 due to the Mining Qualifications Authority not being able to allocate students to the school Four people were working at the Welkom jewellery shop when it was closed in 2020 	R2 700 000	Terminated
Sechaba Lesimola incubation hub	Construction of an incubation hub for small, medium and micro enterprises in the Masilonyana Local Municipality (Joel)	<ul style="list-style-type: none"> Local businesses and communities within the Masilonyana Local Municipality Two large workshops built for two light industrial businesses 	<ul style="list-style-type: none"> Assisting in the creation of sustainable jobs for the local community 15 jobs were created during the construction phase. Enabled the contractor to increase his CIBD (Construction Industry Development Board) rating from Level 1 to Level 3 	R1 300 000	Completed

SOCIAL AND LABOUR PLAN PROJECTS – FY20 CONTINUED

Project	Description	Beneficiaries	Impact	Budget	Status in FY20
Free State continued					
 Youth and small, medium and micro enterprise (SMME) development continued					
Business development centre	Renovation of workshop facilities for use by local companies to create industrial development opportunities	<ul style="list-style-type: none"> 15 youth- and women-owned small, medium and micro enterprises were allocated spaces at the workshops with 40 job opportunities created 	<ul style="list-style-type: none"> Procurement opportunities for local companies Training and mentoring, as well as incubation opportunities for local businesses 40 job opportunities created 	R1 000 000	Completed
Incubation hub	Incubation, coaching, mentorship of local small, medium and micro enterprises	<ul style="list-style-type: none"> 62 small, medium and micro enterprises, identified through a feasibility study undertaken by Harmony, will be targeted over three years Focus on youth- and women-owned businesses Local communities Local municipality 	<ul style="list-style-type: none"> Capacitating suppliers to meet Harmony's procurement standards Seven jobs created at the hub during the establishment phase 	R5 950 000	Ongoing
Youth business corners	Construction and establishment of three youth business corners in the Matjhabeng Local Municipality – in Meloding, Nyakalong and Masilonyana. Ten containers will be converted into stalls for each of the respective corners, totalling 30 containers in all	<ul style="list-style-type: none"> Youths, entrepreneurs and community members Businesses housed include hairdressers, butchers, telephone booths, among others Two local companies benefitted as contractors for the project 	<ul style="list-style-type: none"> Will assist in the creation of sustainable jobs for the local community 21 jobs created while concrete slabs were laid and the area fenced 	R3 394 264	Completed
					
 Information and communication technology					
Mobile computer centre	Provision of a mobile computer centre in a fully equipped truck, which can be accessed by local businesses, students and community members of the Matjhabeng Local Municipality	<ul style="list-style-type: none"> Matjhabeng has 234 schools in its municipal area – 73 secondary and 161 primary schools – with approximately 98 731 pupils and 3 409 teachers Local communities, especially the youth, and business 	<ul style="list-style-type: none"> Community access to information technology, including Wi-fi, the internet and email Mobile testing facility that can be moved to different communities, as needed The truck and equipment were purchased and fitted locally 	R0	Completed

Project	Description	Beneficiaries	Impact	Budget	Status in FY20
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Free State continued



Agriculture

<p>Broad-based livelihood programme (Umsizi)</p>	<p>Design and implement sustainable socio-economic development programme focused on poverty alleviation leading to income generation through the broad-based livelihoods and livestock improvement programme.</p> <p>The project, roll-out of which began in January 2020 following extensive stakeholder engagement, is aimed community self-sustainability, job creation for local community and food security</p>	<ul style="list-style-type: none"> • Targetting 800 households in our host communities in the Free State 	<ul style="list-style-type: none"> • Sustainable food production • Health and wellness • Poverty alleviation • Income generation <p>Initial training covered horticultural and small-scale permaculture methods for healthy food production for households and small-scale farmers. The overall aim of the project is to improve wellbeing, generate income, and to aid market integration and local economic development</p>	<p>R2 600 000</p>	<p>Ongoing</p>
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Broad-based livelihood programmes

The aim of these programmes is to mobilise, on a large scale, people at the bottom of the socio-economic pyramid. Then through training, empowerment and encouragement, supporting their efforts to gain a firm foothold in the informal economy. This would help to stabilise their livelihoods and income as well as giving them the self-confidence to continue to develop and grow without further external assistance.

This programme continues to impact communities positively and has been particularly valuable during the national lockdown. Numerous households have seen first-hand the benefits of growing their own food at home. This not only provides for their family's nutrition but is also a source of income




North West Province




Agriculture

<p>Vegetable project – design and implement broad-based livelihood project – (Kalgold)</p>	<p>Provide horticultural training in small-scale permaculture methods for healthy food production for households and small-scale farmers to increase wellbeing, income generation, market integration and local economic development</p>	<p>800 households in host communities around Kalgold have been targeted for participation</p>	<ul style="list-style-type: none"> • Sustainable food production • Health and wellness • Poverty alleviation • Income generation 	<p>R2 159 448</p>	<p>Ongoing</p>
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SOCIAL AND LABOUR PLAN PROJECTS – FY20 CONTINUED

Project	Description	Beneficiaries	Impact	Budget	Status in FY20
Gauteng					
 Youth and small, medium and micro enterprise (SMME) development					
Youth business corners (Doornkop)	The provision of 16 containers which were converted into a youth business centre for host communities around the Doornkop mine	<ul style="list-style-type: none"> • Youths, entrepreneurs and community members • Hubs to house businesses ranging from hairdressers to butchers, telephone booths, toilets, among others 	<ul style="list-style-type: none"> • Assisting in the creation of sustainable jobs for the local community 	R2 800 000	Ongoing
Fochville – small business centres (Kusasaletu)	The development of a business hub for hawkers in Fochville. The aim of this project is to help reduce poverty through job creation and income generation	<ul style="list-style-type: none"> • Capacity to accommodate 42 hawkers from the local town and surrounding community 	<ul style="list-style-type: none"> • Potential to boost income for local hawkers • Improved access to services and goods by the local community 	R3 166 667	Ongoing
Incubation hub (Kusasaletu)	Incubation, coaching, mentorship of local small, medium and micro enterprises	<ul style="list-style-type: none"> • Local youth- and women-owned businesses • Approximately 49 businesses will be targeted over the next three years • Host communities 	<ul style="list-style-type: none"> • Capacitation of suppliers to meet Harmony's procurement standards 	R4 844 985	Ongoing
Matlosana enterprise development centre (Moab Khotsong)	Renovation of existing workshops to accommodate local small, medium and micro enterprises. It also aims to provide these businesses with support and facilitate opportunities. Additional Covid-19 related assistance was provided	<ul style="list-style-type: none"> • 49 youth- and women-owned small businesses will be target over three years • Host communities of Moab Khotsong in the Matlosana Local Municipality • Eight people currently stationed at the center 	<ul style="list-style-type: none"> • Provides procurement opportunities for local companies • Training and mentoring, as well as incubation opportunities for local small, medium and micro businesses 	R5 000 000	Completed

SOCIAL AND LABOUR PLAN PROJECTS – FY20 CONTINUED

Project	Description	Beneficiaries	Impact	Budget	Status in FY20
Gauteng continued					
 Agriculture					
Rietvallei vegetable project (Doornkop)	Provision of security and farm structures (power and irrigation) for local farmers in order to create sustainable jobs and food security	<ul style="list-style-type: none"> Local farmers and communities Permanent employment of between six and eight women and youths from Rietvallei and six to ten seasonal workers 	<ul style="list-style-type: none"> Self-sustaining local farming Poverty alleviation and food security 	R2 000 000	Ongoing
Wedela vegetable project – solar panels (Kususaletu)	Construction of solar panels to supply power to the existing vegetable project at Wedela as a sustainable alternative to conventional power supply	<ul style="list-style-type: none"> Six local farmers currently working at the vegetable farms 	<ul style="list-style-type: none"> Will enable the vegetable project to operate successfully 	R205 016	Ongoing

Vegetable farms

Project is 18 months into the three-year implementation schedule. To date, product quality has been improved and markets have been secured. Recent litigation against Phakamani Impact on the use of substandard equipment and materials and schedule overruns was concluded with Harmony settling to receive a R1 million cash re-imburement in cash and training worth R1 million at an AgriSETA for our employees. Harmony considers this a favourable outcome and will use the funds to remedy infrastructure anomalies. While the Doornkop vegetable farm has broken even, that at Moab Khotsonq was affected by the Covid-19 pandemic. The local hospitality industry had to close and offtakes were constrained. We are expanding the facility to diversify the crop and increase revenue streams.

