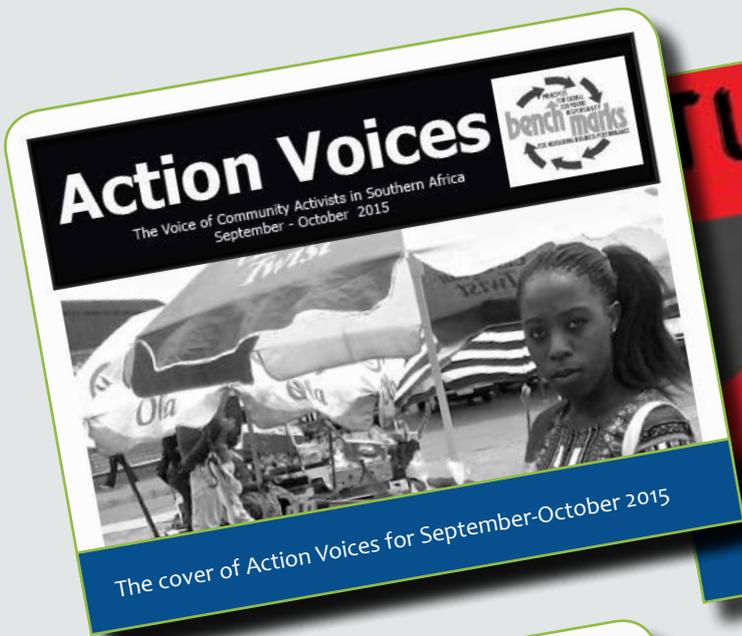


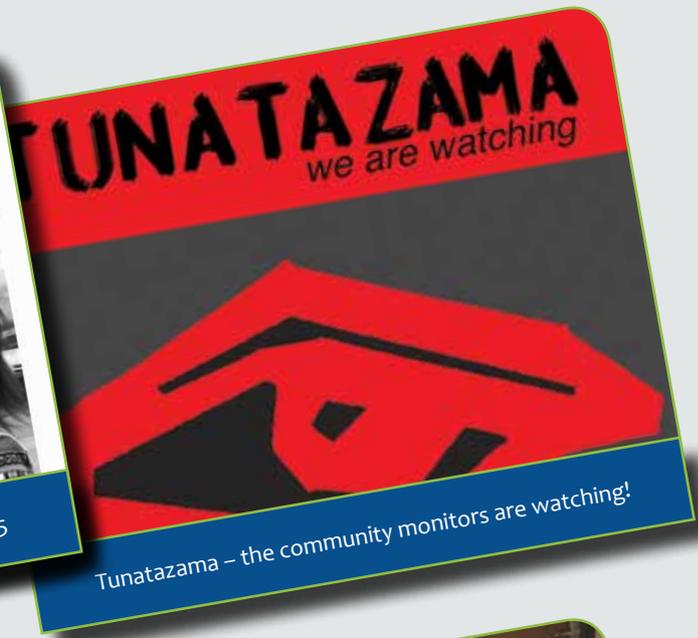


Bench Marks Foundation Annual Report 2015

PROGRAMMES, STRATEGIES AND ACTIVITIES



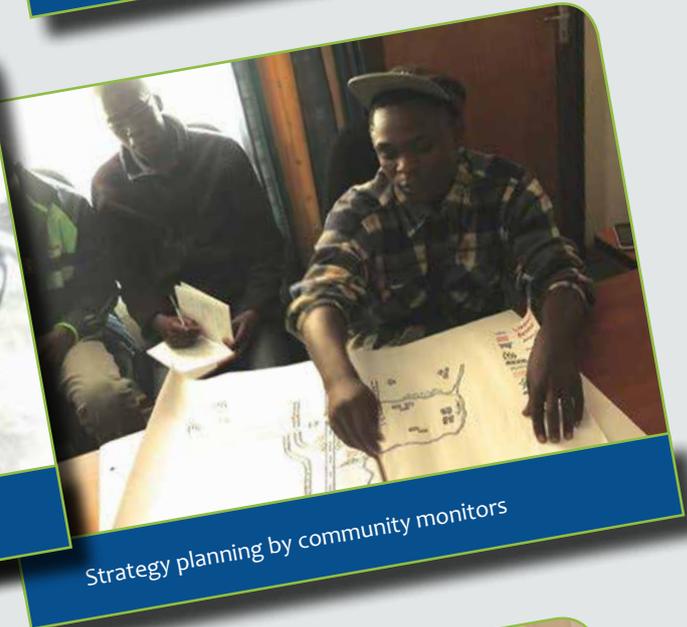
The cover of Action Voices for September-October 2015



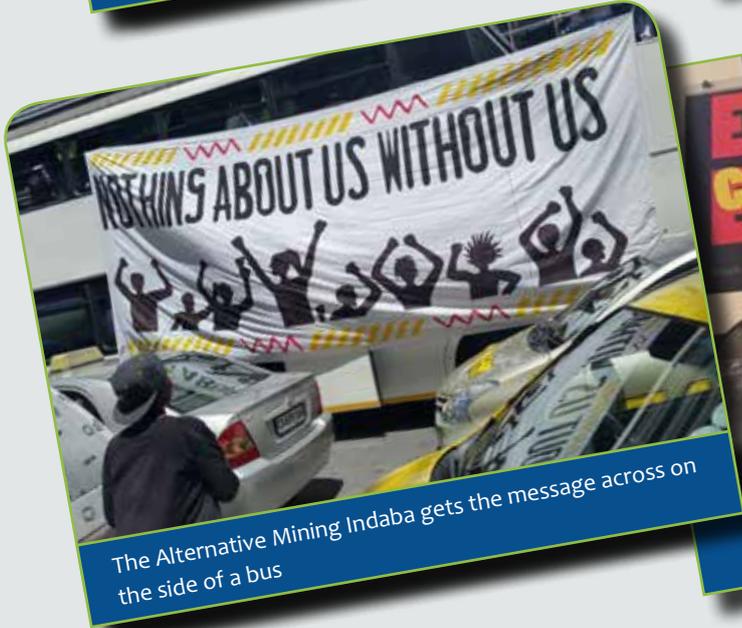
Tunatazama – the community monitors are watching!



Finalising an edition of Action Voices



Strategy planning by community monitors



The Alternative Mining Indaba gets the message across on the side of a bus



Launch of Policy Gap 10 in 2015

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Vision, mission and values

Our people

Foreword



Visions, mission and values

Mission

The Bench Marks Foundation is committed to providing leadership and advocacy on issues regarding the benchmarking of good corporate governance and ethical and socially responsible investment, as well as linking people and institutions committed to these ideals.

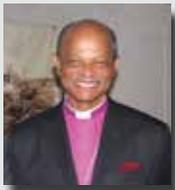
Vision

Bench Marks Foundation's vision is to be on every company's agenda and to become a household name by holding multinational corporations accountable to the common good.

Values

The Bench Marks Foundation positions itself as a key role player and authoritative voice on investment and investment impacts by analysing corporate social responsibility (CSR) and sustainable development. It embeds itself in the community and produces evidence-based research, challenging the present CSR and sustainability paradigm. It is well positioned to influence how investment shapes development, especially in mining. It is embedded in the churches, promoting values that are pro-poor and in favour of equitable development, human dignity and promoting a philosophy that has the integrity of creation at its core. In this way it presents a prophetic voice of the church, one that is rooted in the concept of the common good.

Our people



1



2



3



4



5



6



7



8

Board of directors

1. J T Seoka (Chairman)
2. P J Beukes
3. J A Capel
4. N Magwaza
5. M B Moshoeshoe
6. S Muyebe
7. H Smith
8. A E Wentzel



1



2



3



4



5



6



7



8

Our staff

1. Moses Cloete, Deputy Director
2. Simon Gumede, Office Administrator
3. Joseph Magobe, Rustenburg Field Worker
4. John Capel, Executive Director
5. Eric Mokuoa, Monitoring School Coordinator
6. Busi Thabane, General Manager
7. Brown Motsau, Programmes Coordinator - Africa
8. Hassan Lorgat, Strategic Advisor
9. Bobby Marie, Education Specialist
10. David van Wyk, Lead Researcher
11. Malin Oloffson, until September 2015



9



10



11

Our people



1



2



3



4



5



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7



8

Community facilitators

1. Ole Motene, Bua Mining Communities
2. Susan Moraba, Mpumalanga Youth Against Climate Change
3. Joe Mashilo, Justice and Peace, Klerksdorp
4. Tshepo Mmusi, Justice and Peace, Klerksdorp
5. Mesh Mbangula, Ekurhuleni Environmental Organisation
6. Mduduzi Tshabalala, Vaal Environmental Justice Alliance
7. Sobantu Mzwakali, Gold and Uranium Belt Impact Censoring Organisation
8. Priscilla Khomotso, Magobading Relocated Community Forum



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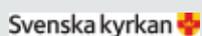
5

Bench Marks Centre for Corporate Social Responsibility

1. Prof Freek Cronje
2. Dr Eddie Baine
3. Suzanne Reyneke
4. Carina Snyman, left during 2015
5. Christine Knoetze

Funders and donors

We would like to thank our donor partners, with whom we share a commitment to social justice, even if the views we advance are our responsibility. They include our donors who provided core support: Christian Aid, Christian Aid Fleishcher, Bread for the World – Protestant Development Service, Diakonia Sweden, Bread for All – Switzerland, Raith Foundation, Norwegian Church Aid and Church of Sweden. Donors who supported specific projects are Action Aid NL and Oxfam.

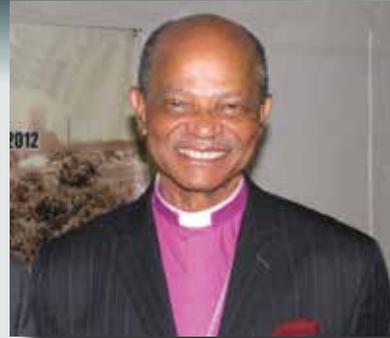


Foreword

As we reflect on 2015, we remain conscious of the context in which Bench Marks Foundation operates. On the one hand, there exists a mining fraternity that is bent on maximising its operations in order to extract as much profit as possible from its activities. At its disposal are large corporate machines, with many resources dedicated to ensuring that it achieves its goal. On the other hand are the many communities and millions of people on which these corporate giants impact, often very negatively. The resources at the disposal of these communities and their people are few and totally inadequate. They are generally not consulted by the mining industry, and, if they are, are given false promises and unrealistic expectations for which the industry makes the least possible effort to realise. And yet their lives, and the quality of their existence should be at the very heart of the mining industry, for they occupy the land from which the mining profit is, or will be, extracted. There can be little doubt that the mining/community axis is a classic David and Goliath scenario that plays itself out day by day, year by year, and decade by decade.

It is in this context that Bench Marks Foundation works to bring about justice and redress by increasing the skills of communities and their people impacted by mining. Through our work, we aim to enhance their communication and lobbying skills. We provide a platform through which they are empowered to engage with these corporate mining giants with the aim of maintaining or regaining their dignity, self-respect and human rights. This can be in respect of land they occupy, their right to basic services such as water, the protection of environmental degradation that impacts on their lives, the quest to become economically empowered, or the safeguarding of their cultural and social norms, to mention but a few aspects of how mining influences their lives.

I am pleased to report that Bench Marks Foundation has continued to bring its influence to bear in this fractious and conflict-prone scenario. Our work this year has seen the publication of another in the policy gap series. In addition two others are in the pipeline. The ten studies that have been published to date make up a considerable body of invaluable research into the extent to which mining has and continues to leave its destructive and damaging legacy.



*The Right Reverend
Dr Bishop Jo Seoka*

The Bench Marks Foundation Centre continues to do ground-breaking research into new ways of thinking about corporate social responsibility (CSR) and accountability mechanisms. We are confident that our deliberations in this respect, once fully developed, will go a long way towards establishing CSR paradigms for the mining industry that are just, fair and equitable towards communities.

Our community monitors have done sterling work in highlighting mining abuses in communities and bringing these to the attention of the public and the industry. They are to be commended for their efforts and we look forward to their ever-increasing numbers and influence. The community monitoring school is indeed making an outstanding contribution to achieving our goals.

Through the Africa roundtable programme, Bench Marks Foundation is making its impact felt in countries beyond the borders of South Africa as we stepped up our efforts to strengthen links with partners in these countries. Africa as a whole has been bedeviled by the scourge of mining and it is heartening to be able to share our learnings with other countries and, in turn, benefit from their knowledge and expertise.

In conclusion, my thanks are due to the members of our Board who have ably assisted the organisation in its important work, and to every member of staff and our research teams who have contributed during the course of the year.

The Rt Rev Dr Jo Seoka
Chairperson, Bench Marks Foundation

Background

UNDERMINING DIGNITY



MEANINGFUL EXISTENCE AND THE COMMON GOOD

Foundation AGM 19 - 20 October 2014



Background

Summary of 2015

Corporations lack transparency in the way they portray themselves to communities, society and their own investors. In their reports, they portray themselves as benevolent entities that exist to provide jobs, promote community well-being and make a contribution to society as a whole. Their negative impacts on communities, the resources they extract and their impacts on the environment are hidden from society as a whole. The costs of their operations are externalised and borne by communities.

Mining-affected communities lack the skills to interact and engage with corporations impacting on their lives and are at a distinct disadvantage when they face corporations with massively more resources, budgets and skills.

Further, communities do not have adequate recourse to seek redress for the impacts on their communities as they do not have the means to engage expertise (social, labour, environmental knowledge and developmental planning).

Thus, the programme aims to increase the skills of communities and community organisations by enhancing their communication skills and opening up avenues for communication, while seeking to campaign for the establishment of a fund that assists communities to access expertise.

A further aspect of the project is a campaign for the establishment of an independent grievance body or mechanism where communities' grievances can be addressed and resolved without recourse to expensive legal expertise.

In addition, the work across the region (SADC) has been stepped up considerably in 2015 with dedicated interventions, including the participation and strengthening of continental platforms, the training and development of local country based monitoring programmes.

What was the context to be addressed?

Mineral deposits are being discovered all over the African continent, including in South Africa. The scramble for resources takes place against a background of weakened regulatory and oversight bodies, allowing mining companies to exploit the country, often receiving generous tax breaks and exemptions from environmental standards. Forced removals of communities from their ancestral lands,

lack of compensation and remedial efforts leave previously self-sustaining communities destitute. This allows for rampant mining at any cost, gross human rights abuses, environmental degradation, social strife and contestation over land.

Events at Marikana in 2012, when 34 workers were massacred in one day and a total of 44 deaths occurred over eight days, were a changing point in South Africa. At first, the rock drillers' strike was viewed as inter-union rivalry but the root causes soon became clear. Essentially, it was a socio-economic issue in which, 20 years into democracy, workers felt aggrieved by the opulence of wealth around them, while they eked out an existence in shanty towns, living in zinc huts, without access to running water, electricity and suffering from extreme heat in summer and extreme cold in winter.

Issues of inequality in income, access to proper living conditions, long hours spent at work and the inability to improve their lives gave rise to the strike. This was further complicated by the interests of the tripartite alliance, black economic empowerment of a few elites, and political interventions to use the police to quell the strike. Furthermore, the use of private security firms to shoot at protestors, beginning at Impala Platinum, and followed by Aquarius Platinum, where five workers were killed earlier in the year, demonstrates an industry only concerned about getting the platinum out of the ground, while paying lip service to corporate social responsibility that encompasses the inculcation of a strong human rights culture in the industry.

The Foundation's *Policy Gap 6* research study reviewed the earlier study, *Policy Gap 1*, to see if mines had improved their social, economic and environmental performance. The study found that, far from things improving, the corporations continued to operate by externalising costs onto local communities. The Foundation warned as far back as 2007, and again in 2012, that if the socio-economic conditions in the mining communities did not improve, there would be dire consequences and social strife. Thus, we are operating in a context of corporate impunity with winners and losers, and the losers are workers and communities who bear the brunt of the costs, while not benefiting equitably. We see evidence of this in coal mining operations in Mpumalanga, gold and uranium mining in the North West and Free State, and the iron ore industry in the Northern Cape. There are more than 6 000 abandoned mines in South Africa that are wreaking havoc on our water resources.

What were the issues to be addressed?

Communities impacted by mining activities are at a distinct disadvantage, as the corporations have enormous influence on government and the legislative environment. Communities' views and prior and informed consent are rarely sought during the life of a mine and in the formulation of policy and legislation. In addition, oversight bodies are weak and/or poorly resourced. Given that mining is an important vehicle for elite empowerment, the influence of communities on the whole is greatly reduced. Thus, overall the playing fields are skewed heavily in favour of the large mining houses.

We assist communities by providing space for their own self-organisation and growth, to allow their voices to be increased and to facilitate their participation in broader coalitions with like-minded civil society organisations and formations, and through campaigning, advocating and lobbying in the public arena.

Over the past several years many communities have protested over the lack of local employment in the industry, water contamination, drying up of community wells and boreholes, air quality and respiratory problems and land contestation issues. In response, they are arrested and their protests criminalised. While they need to be engaged with, heard and their concerns addressed, the industry responds with sustainable development reports (SDR), showing how responsible they are, how they work closely with communities and create jobs. These reports are largely public relations exercises and show little evidence of what is happening on the ground. The Foundation's *Policy Gap 7*, examining Lonmin's reports over a ten-year period, found that it was difficult to separate fact from fiction. Lonmin employs 30 000 workers, and over a period of 10 years promised to build 5 500 houses, yet, with the exception of three show houses, not a single house was built. In fact, Lonmin only accommodates 2 500 workers in its hostel conversion programme leaving 27 000 on a living-out allowance, who then erect shacks or live in backyards in communities.

Every year, Lonmin apologises for increasing dust emissions and sulphur dioxide into the atmosphere, all of which have a cumulative impact and a drastic impact on water resources and air quality. It appears that all a company has to do in response to missing targets or polluting underground and surface water resources is to apologise for doing so – and then go and repeat the misdemeanour, for which it will once again apologise! Lonmin agreed with the Foundation that the findings of the study on it was representative of the mining industry.

We want to change this culture and make the industry more answerable and accountable using research, community monitoring and media to counter and advocate for meaningful change so that corporates are held accountable by empowered communities.

Our experience in addressing these issues

Since 2007, through its *corporate research programme*, the Foundation has produced ten *policy gap* research reports focusing on mining impacts on communities and underlining the communities' perceptions in order to counter the corporations' view on events. These reports exposed the gaps between corporations' perception of themselves and that of the community, leading to greater public awareness, both locally and abroad.

These reports have led to many engagements with the corporations, government, a number of investor groups, members of the diplomatic community, delegations from government and European parliamentarians, church bodies, corporate consultants, investor groups like the Norwegian Oil Fund and the Government Employees Pension Fund, universities and research bodies. In these engagements we have conveyed key messages of change and, in particular, the need for the mining industry to change.

Since 2010, when it trained 15 monitors in a pilot project, the Foundation has provided training and education to a further 400 community monitors (roughly 100 per year between 2011 and 2014), strengthened a number of organisations in mining areas across five provinces and now works with between 15 and 20 organisations in more than 40 communities. Our efforts focus on raising community voices through popular publications like *Action Voices*, providing a blogging platform (communitymonitors.net), assisting in developing social media outlets, and lately developing podcasts and radio programmes for local radio and local newsletters and community reports. This has been done via the *community monitoring programme* that runs each year for eight to nine months.

Through the *voice power programme*, the Foundation has created awareness by generating impressive media coverage in diverse media outlets. In 2015 the Foundation generated more than R148 million AVE (advertising value equivalent) of media coverage.

AGM October 2015



Dineo Ndlanzi, spiritual healer and African story teller



Henk Smith, member of the board of Bench Marks Foundation



The Rt Revd Dr Jo Seoka, Chairperson of Bench Marks Foundation



Delegates to the AGM, October 2015

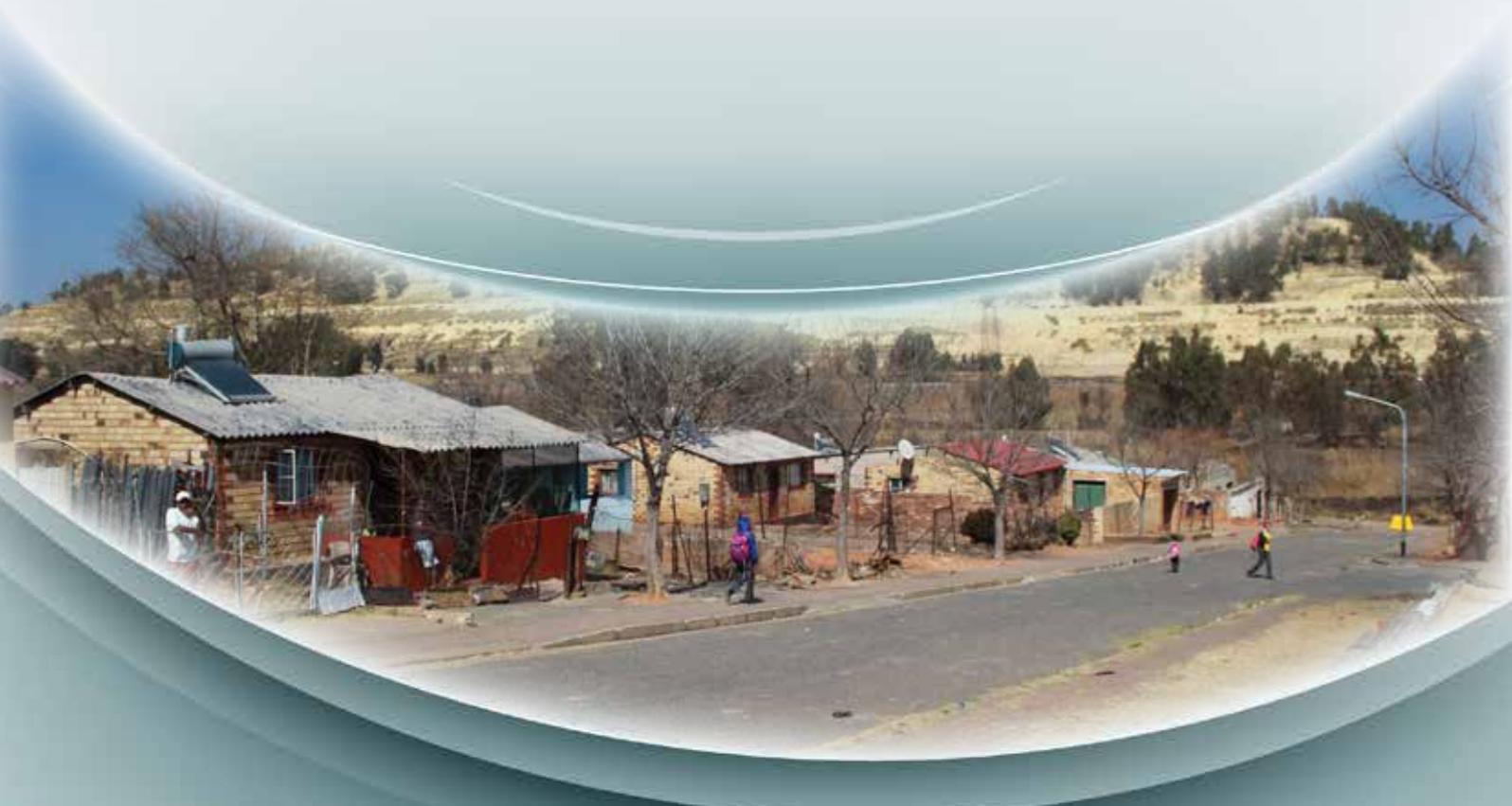


Bobby Marie, coordinator of the community monitors school with his community monitors



David van Wyk (left), lead researcher of the Bench Marks Foundation, explains a point during a roundtable

Programmes



Programmes

2015 key programmes

This report is mainly a presentation of the programme for 2015, which took up challenges presented to the Foundation in the post-Marikana era. The massacre of 34 mineworkers in August 2012 propelled the Foundation into the public eye and since then it has been involved in high profile advocacy on mining issues in the platinum belt. This enhanced public role has been the result of its sustained effort since 2007, where it focused on platinum miners and the communities impacted by the mining companies.

Through the Foundation's *corporations research programme*, we continued to produce the *policy gap research* in which we examine the stated claims of corporations, incorporating what corporations say about themselves, their corporate social responsibility initiatives, and the observed reality and perceptions of communities. The policy gap research integrates the voices of communities while it provides training in communities. Through the *monitoring school programme*, community members and organisations are trained to provide analytical, organising, publication and publicity skills.

These two programmes led to the voice power *media and general advocacy work* where there has been a marked increase in the number of engagements with the media (radio and TV), mining houses, academic forums, government, diplomatic missions and a multiplicity of civil society formations.

In 2015 the Foundation continued its research programme with three new studies. Key are "Life before and during mining", a cross examination of Anglo Platinum reporting, and the "Soweto health project", a focus on gold and community health. One is planned for publication in 2016 and the other two for 2017. The BM also continued its *monitoring school programme* in more than 40 communities across five provinces in South Africa.

During the year, an academic centre of excellence, the Bench Marks Foundation Centre, continued its work. This is a reference point for alternative thinking on existing CSR paradigms. In this regard, the centre, based at the North West University, has the capacity to respond to the information and educational needs of various stakeholders.

In its media strategy, the BM broadened its reach through social media and radio where it focused on mainstreaming community voices collected in the course of the last three years.

The Foundation stepped up its efforts to strengthen links with partners in other African partners through its *Africa Roundtable Programme* and in particular worked on developing a company monitoring tool and hosted a learning forum on community monitoring initiatives in the Southern African region (focusing on Zimbabwe, Tanzania, Zambia and Mozambique), where the monitoring school team assisted with a mutual learn and teach approach where requested by other partner country programmes.



Action Voices, June 2015

Newspaper banner for the toxic tour of Soweto, October 2015

The 2015 report



The 2015 report

Executive Director's Report

In 2015 the Foundation made significant strategic advances. In particular it convinced one of the three largest mining companies, Anglo American, to agree publicly and in writing to the setting up of an independent fund that will give access to expertise for mining-impacted communities and the creation of an independent grievance mechanism that, if implemented, will give greater access to justice and remedies for communities impacted by mining.

The Chief Executive of Anglo American, Marc Cutifani wrote:

“Following our meeting(s) with the Bench Marks Foundation we have undertaken to consider two key proposals you have made around how to build capacity for communities to more effectively interact with mining companies, and what kind of mechanism might be appropriate to resolve intractable conflicts between the parties...”.

Cutifani, after being challenged by the Foundation in the official mining indaba, an industry-led conference convened annually in Cape Town in February, agreed in 2016 to make public the secretive social and labour plans negotiated with the ministry responsible for mining. This would give communities, on whose behalf these have been drawn up, the possibility of interacting and holding companies and local authorities accountable. As expressed in an article on 16 February 2016 that appeared in one of the most widely read business newspapers in South Africa:

“Bench Marks Foundation researcher Hassen Lorgat called on Anglo American CEO Marc Cutifani, during a panel discussion, to publish the company's social and labour plans. A spokesman for Anglo later said the company had no problem publishing its plans on its website as long the communities affected supported that.”

In addition, the disputed King of the Bafokeng, the traditional authority covering the Rustenburg area where the three big mines are located and who through their Bafokeng Royal Holdings has a major stake in Lonmin, made the same commitment:

“Social and labour plans intended to ensure mining companies provide opportunities for mineworkers and communities to benefit from



Mr John Capel

mineral resources have not helped to reduce the inequality associated with mining activity,” Kgosi Leruo Molotlegi, king of the Royal Bafokeng nation told delegates at the mining indaba.

He called on mining companies to make their social and labour plans public, ‘ideally on a single website’, so that workers and community members could see what benefits companies were offering.”

This access to information will enable company practice to be benchmarked. Nevertheless, it is somewhat of an after-the-act revelation, about which communities have already shown their disapproval through the discontent expressed in numerous protests.

Anglo American, through its affiliate, Impala Platinum, Anglo American Platinum, Amplats and Lonmin are the three largest platinum producers in the world), succumbed to pressures exerted at first by the Foundation, and later through a range of actors in civil society, to demands raised in numerous policy gap research reports from 2007 to 2015. (Amplats had already acceded to both these demands in meetings in 2014 with the Foundation, but did so in “private”.)

This has vindicated the Foundation's approach that combines research, high profile media advocacy, alliance-building and a sustained community capacity-building programme. The accumulated effect leads to meaningful engagement and eventually high level dialogue and concessions, that bring about some changes, albeit these are short of systemic changes.

This takes place against a background in which the mining industry is in constant search of “legitimacy” and caught in cycles of crisis, the most recent being a revisit in 2014/15 of the 2008 global capitalist crisis. So some part of the response and its concessions to the Foundation and civil society is an attempt to correct and regain “traction”.

Thus engagements with the Foundation and civil society, including church and faith-based organisations, could be viewed as part of a strategy to momentarily acceding to long-standing demands, thereby regaining legitimacy, followed by a pause, regroup and the start of a new cycle of accumulation.

In 2015, even unpublished research reports drew the attention of the business media and now the more popular media. This is a result of the Foundation media profile that has grown in value. Measured by Meltwater, an independent media survey company that measures our exposure, on the internet. Using comparative measures from 2014, our internet media coverage grew to an estimated value of R149 million from R121 million, with 321 real mentions (an increase of 118% percent), and from 121 to 222 outlets (up by 174%).

Our coverage reached the front pages of popular dailies such as *Sowetan* and *The Star* newspapers in Johannesburg, in addition to those appearing in the business sections of newspapers.

One poster headlined a toxic tour conducted for participants at our October annual conference. This tour followed the route of the research on the impacts of mining on the residents of Soweto, and helped highlight the plight of residents who for decades have been subject to the toxic waste and spillage from old gold mines in Soweto.

Corporations still active in the area have increased their dialogue with the communities affected by waste from mine dumps and have cleaned up some of the mess, erecting fences around dangerous parts of abandoned mines. This has been an issue raised by the communities and indicates the value of raising public awareness to force corporations to engage and address some of the issues.

Another issue picked up from the Soweto research has been that of illegal miners or “zama-zamas” as they are popularly known, who operate in extremely unsafe conditions in abandoned mines. The Foundation has called for these miners to be legalised and support structures for them to be created. In this way, they will be able to pursue their activities lawfully and in a co-operative way, thus ending their victimisation by the law and the syndicates that push their produce into the buying chain.

One of the published research reports, which examined Kumba Iron Ore’s corporate social responsibility, led to various complaints being raised with a receptive South African Human Rights Commission. The Foundation assisted the Dingleton community, in particular, in the Northern Cape to raise its concerns for redress by Kumba, which is

now the subject of a sale as Anglo American prepares to exit the iron ore sector in South Africa (due in part to the global downturn in commodity demand).

The Foundation further contributed to a case study report bolstering a Swedish initiative for a referendum that is aimed at making it compulsory for Swedish companies to carry out a due diligence exercise on their possible human rights impacts before making investment decisions, and that they subsequently are held accountable. This joint Bread for All and Foundation report on Vitol (one of the largest commodity traders in the world) and its investment in the nefarious coal industry, was publicly launched by Bread for All in Switzerland in August 2015.

Coal mining remains one of the most damaging forms of mining, both during and after the mining phases. This was highlighted in a visit to Germany of Executive Director, John Capel when he drew the attention of the Westphalia regional government to the devastating impact of coal mining on the environment and its threats to food security in the Mpumalanga province in South Africa.

In April, Foundation chairperson, Bishop Jo Seoka addressed the annual general meeting of BASF, a commodities trading company that buys platinum from Lonmin, challenging it on its commitment to redress and justice for the victims of the 2012 Marikana massacre. BASF promised a follow up, once the Farlam judicial commission’s report was released. Since the published report minimised blame of the state, ascribing blame instead to bad public policing, the Foundation will be back at BASF’s AGM in 2016, demanding just reparations for the widows, children and the Marikana community.

In 2015, the Alternative Mining Indaba grew to a formidable 300 participants from across the continent and further abroad. This represents a tenfold increase from 2009 when it was started by partner organisations Norwegian Church Aid, Bench Marks Foundation, Economic Justice Network and later Diakonia. Its growth in size and stature as an alternative voice to the main mining indaba has attracted widespread media interest, and also, ironically, corporate initiatives who seek to have their voices heard and represented in this forum. Thus the challenge remains to grow the voice and representation of communities directly impacted by mining, to ensure that the alternative indaba is not mainstreamed or captured by a corporate agenda that seeks to legitimise its destructive and exploitative mining and extractivist agenda, by engaging, or appear to be engaging, affected communities, without addressing systemic imbalances and committing to redress. Throughout the year, the Foundation worked to invite more than 30 communities to the 2016 session.

In this regard it is important to address and build the power of affected and impacted communities. In 2015 the monitoring school programme experimented with new monitoring mechanisms. A new platform was built through which the programme could make trouble and hotspots public. This was achieved by creating an internet-based, easily accessible digital map, while improving on the Foundation's own publication, Action Voices. Using the Action Alerts application, more than 200 trouble spots have been identified, while the analytical and documenting tools to raise their voices were acquired. 70 monitors were trained to add to the more than 400 trained since 2009. Companies have asked for access to the crowd map of mining areas, presumably so that they can respond to issues raised.

The school, that reaches more than 40 communities in South Africa, is now being replicated in home grown versions in Burkina Faso, Kenya, Mozambique, Zimbabwe, Zambia and Columbia with the assistance of funding partners' networks.

In addition to the current monitoring activities, the Foundation started on the long path to establishing a ranking (rating) instrument that will measure or rate a company's character, from a community perspective, on a scale from "saint" for good behaviour to a "sinner" for bad behaviour and practice. A survey was developed and a test was run in 2015. In 2016 an online/digital application will be developed and a pilot online platform created. This app will hopefully be used across the region.

In 2015, the Foundation set in motion attempts to work for redress and justice for impacted communities that had been raised at the Investing in Mining Indaba as part of its key messages.

This was followed up during the year by key meetings with chief executive officers of mining companies. The support of Mark Cutifani, CEO of Anglo American, was elicited in which he promised, that "... following our meeting with the Foundation we have undertaken to consider two key proposals you have made around how to build capacity for communities to more effectively interact with mining companies, and what kind of mechanism might be appropriate to resolve intractable conflicts between the parties...". Of course such a mechanism needs the support of communities affected before it can be launched and in 2016 communities will test companies' commitment to such a mechanism.

Finally, the Foundation hosted a successful annual conference during which we focused on the need to defend the common good following our years of experience in looking at the exploitation of natural resources at the expense of communities.

This followed the recent encyclical of the leader of the Catholic Church. The mining industry has taken advantage of this and has been involved in dialogues with the Catholic Church, while simultaneously wooing the church internationally and locally via a dialogue led by the Anglican Church leader in South Africa. We believe the mining industry has been using this dialogue to gain legitimacy in society, while at the same time undermining the work of faith-based organisations such as the Foundation.

The Bench marks Foundation annual conference was attended by more than 200 registered participants, with 40 participants from the continent beyond our borders. The conference provided a platform for various stakeholders from the community, industry, NGOs and in particular partners from the continent to interact and dialogue on the challenges faced by mining communities in Africa, as well as key policy instruments such as the African Mining Vision. The conference was followed by toxic tours in Mpumalanga and Soweto.

Finally we were able to maintain and develop partnerships with a number of funding partners. We thank the following donors and funding partners: Brot Germany, Bread for All Switzerland Church of Sweden, Diakonia Sweden, NCA Norway, Christian Aid UK, Irish Churches, Action Aid Netherland and in South Africa the Raith Foundation.

John Capel
Executive Director



Corporate research programme

Overview

Since 2007, the Foundation has produced ten policy gap research reports focusing on mining impacts on communities and underlining the communities' perceptions to counter the corporations' view on events. These reports exposed the gaps between corporations' perception of themselves and those of the community, leading to greater public awareness, both locally and abroad. In 2015 the Foundation added more reports to its portfolio.

A study on coal mining in Mapungubwe was done with Bread for All (Switzerland), while two new studies are currently being worked on. One looks at life before and during mining. Its focus is to understand how a self-sustaining community existed prior to mining, what happened to it when the mining company arrived with promises of a better life, and how they now live. In addition, we began the Soweto health study on old and current mining areas to examine the health impacts on communities. A study is currently being updated on twelve years of reporting by Anglo Platinum. This examines the company against its reports from year to year to see if reporting does really tell us something, or whether it is pure fiction.

In 2013, followed up in 2014, Lonmin had already made the promise as quoted in Business Day, 23 October 2013 that it, as the third largest platinum producer in the world had "donated 50ha of serviced stands, to be used for housing in the Marikana area. (The) producer will also contribute at least R500 million over the next five years towards employee accommodation and community bulk services. ... The announcement comes after the Foundation released a study earlier that month that said Lonmin had failed to meet its socioeconomic and environmental goals. Foundation executive director John Capel on Tuesday met some of Lonmin's top executives to discuss its corporate social responsibility actions. 'We believe this is an important step in the journey of contributing to the wellbeing of our communities, and Lonmin's employees in particular. This donation forms part of our commitment to support the presidential initiative to improve living conditions in Rustenburg, and we look forward to working closely with our partners and other stakeholders,' Mr Magara said."

In 2014 Lonmin, after a lengthy half-year long strike, acceded to wage demands in the settlement of which the Foundation chairperson played a leading role. At the beginning of 2015, Lonmin started addressing some of the challenges with regard to building houses on the freed-up 50 ha of land for a housing project.

The Foundation's executive director met twice with the chief executive officer, Ben Magara, during 2015 to follow up on the demands raised by the Foundation in its 2012 report on Lonmin. Magara advised us that he had been told by industry executives, including from Lonmin, that he "should not engage" with the Foundation, but was of the view that the Foundation was a "major stakeholder and player" and that he would continue to engage with it. The housing project is still a thorny issue as new community disputes have since arisen as to who has the rights to the houses that have been constructed.

Our aim was to get at least one of the three biggest platinum companies to agree to and establish an independent grievance mechanism for communities impacted (see earlier discussion).

This call has been similarly amplified by others in civil society, like the Centre for Applied Legal Studies, which called for the same transparency with regard to social and labour plans.

These concessions have been won after years of campaigning by the Foundation and having being raised in its research reports. The independent grievance mechanism was raised in its report in 2013, and the lack of transparency about social and labour plans in the report about Lonmin. We trust that these important steps will put communities in a better position to engage with companies impacting on their communities.

While the report on Life Before and During Mining, a policy gap on Anglo American Platinum in Limpopo will only be published in 2016, the research process entailed lengthy engagements with the community and subsequent engagements with the company. The Foundation has assisted the Magobading community in Limpopo in these engagements and managed to secure direct interactions of the community with the company. In particular Anglo Platinum has become more responsive to the need to repair cracked houses given to communities in the relocated township. The community was given the rights to rehabilitate the houses, and a company to that effect established, so that the local community would also gain from temporary employment. The broader systemic issue about the impact of dislocation and removal on a community and what constitutes adequate compensation still needs to be addressed.

Through the 10 policy gap studies published since 2007, the Foundation has been an important generator of knowledge on the impact of mining activities on adjacent communities. In addition we have co-authored another five reports with partners.

During the year, the Foundation published two important studies. Policy Gap Series No 10 focused on iron ore mining in the Northern Cape and highlighted how corporations' flagship CSR programmes fall far short of community expectations and their own promises. This report focused on the CSR programmes of an Anglo American iron ore company.

A second study, mentioned earlier, was jointly published by Bread for All and the Foundation, and focused on the lack of due diligence studies of a Swiss based investor. The report was aimed at the Swiss public and decision-makers in order to lobby for a referendum that will force companies with a Swiss domicile to conduct due diligence tests on their human rights impacts.

Community monitoring and capacity-building programme

Overview

The Foundation's monitoring school has been in operation since 2010 when the first pilots were conducted with 10 to 15 monitors. It has now trained more than 300 monitors and in 2014 enrolled more than 100 monitors. The footprint of the school covers Gauteng, North West, Free State, Limpopo and Mpumalanga provinces and is embedded in more than 40 communities where we work with 20 community-based organisations, some of which formed as a result of the school. The school also led to the formation of broader community platforms such as Bua Mining Communities that now represents 17 communities in the North West platinum minefields and Community United in Censoring Organisation (CUBICO) in the Free State where it represents five communities. In other areas, we work with established organisations like the Vaal Environmental Justice Alliance (VEJA) which represents seven communities.

Organisations send monitors to participate in a series of workshops that stretch over several months each year. Monitors are assisted in development basic (free) writing skills, mapping their areas, and identifying problems and interest groups in their areas. They are trained to use the internet and social media, and to develop strategies with which to engage local authorities and companies in their areas. The school uses an action-reflection methodology that allows the development of these skills, but also encourages the development of action by participants.

This basic training is enhanced through an advanced course for facilitators, who are trained in the running of workshops, the strategic use of the internet, digital mapping of their areas, all of which is supplemented by training on legislation applicable in the mining industry and more advanced organising skills.

Different platforms are provided and developed in which monitors, with the help of facilitators, can share experiences and strategies. These include a dedicated website and Action Voices which collects the best articles annually.

At the regional (SADC) level the BM promotes the development of local schools adapted to the realities and possibilities in these countries. Links have been developed with organisations in Zimbabwe, Zambia and Tanzania.

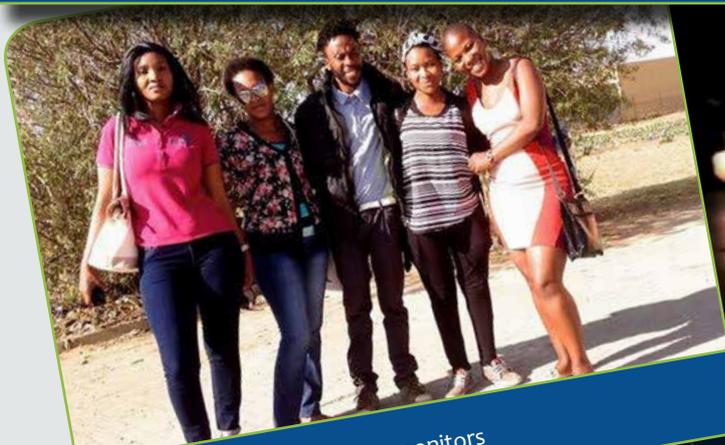
In 2015 the Foundation continued to develop the South African school. More active linkages were built and acted as a resource for organisations that want to improve and develop their own home-grown monitoring schools, aimed at building strong cross border linkages across the SADC region.

In one edition of the monitors' newsletter Action Voices, (September-October 2015), 47 monitors (some writing as part of a team) contributed 19 stories about their research and actions challenging the impacts of mines on their communities covering a host of problems. These included:

In Ekurhuleni, Gauteng, the monitors and the Ekurhuleni Environmental Organisation (EEO) were faced with the dumping of toxic waste, rendering the soil "sweet". Sellers collected it to sell as "chocolate" cakes. Residents, especially women, bought the soil "cakes" which were believed to have a therapeutic effect, masking pain and stomach ailments. The EEO, in which 19 monitors participate, mounted an awareness campaign among residents, and alerted local authorities and the company responsible for the dumping, so that the toxic dump could be fenced off to prevent access to sellers.

Similarly in Welkom, Free State, CUBICO identified a landfill site (dumping ground) as a source of illness, rotten food and pickings. CUBICO wrote to the authorities demanding that the site be cordoned off, and that the

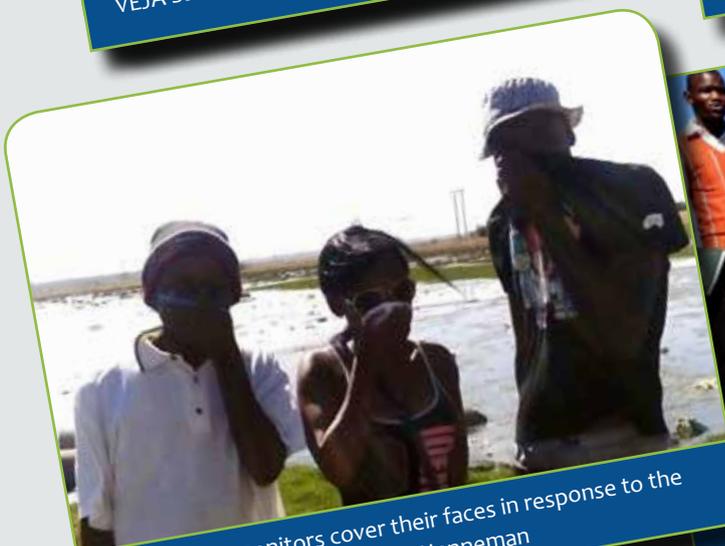
Work of community monitors 2015



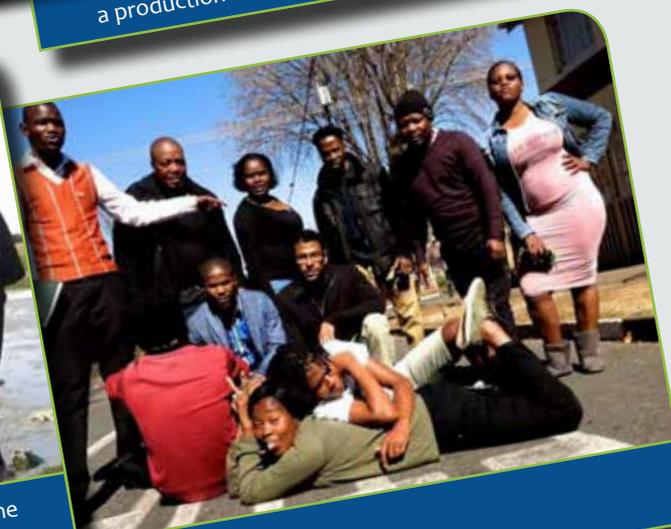
VEJA Sasolburg community monitors



Community monitors meet in Johannesburg to finalise a production



Community monitors cover their faces in response to the stench of leaking sewerage in Henneman



Action Voices radio team



The team of community monitors from EEO investigating the toxic "chocolate cakes"



In conversation with the community..... Bench Marks Foundation monitors from VEJA Sasolburg

residents be allowed to form a recycling company. It also approached the Department of Home Affairs to provide proper identification documents to waste pickers so that they could seek more gainful employment. CUBICO carried out similar surveys in Bronville and found the situation somewhat similar. As a result, the organisation addressed letters to Department of Water Affairs and the local South African Police Service (SAPS) that is supposed to protect the environment from illegal dumping. A monitoring committee was set up to pursue the matter with authorities.

Difficulties and the lack of response often encountered is typified by the situation in Carolina, Mpumalanga, where a number of monitors are active:¹

The township of Carolina, in Mpumalanga, in the community of Silobela, came to a standstill when angry community members stopped normal operational routines of the mines in the area. People were stopped from going to work, all taxis were stopped from entering the location and school buses transporting learners were turned back. Local mines were the target of the protest as they were accused of not employing local community members even for jobs that do not require qualifications. They do nothing to empower the community of Carolina. Protesters blocked the roads with rocks, drums, tree branches and burning tyres throughout the day. Businesses and shops were closed to prevent damage and looting. Appointed community delegates were escorted by police to meet with the executive mayor and representatives from the mines. This meeting ended with no results. An angry mob attacked a police officer's house. The police reacted with great force. Residents had to run for cover because the police were attacking anybody in their sight.

Other communities and monitors have covered impacts that include:

Acid mine drainage affecting the water resources caused by a mine in Vosman, Mpumalanga. This is just the research and part of their action is to trace the owners of mine and contact local authorities;

Sinkholes in Coronation, Mpumalanga, where non-operating mines have collapsed and created sinkholes, just 500 to 800 metres from where residents live.

A typical process is recorded in Action Voices – April 2015 edition where the EEO writes:

The EEO was founded in February 2010. It is a community-based organisation that strives to educate and organise the community on environmental and social issues as well as to encourage better use of natural resources. The EEO focuses on problems the community faces related to woman's empowerment, mining, climate change, housing, people living with disability and other social issues.

We are currently involved in the community monitors school in collaboration with Bench Marks Foundation. The monitoring school in Ekurhurleni started when Meshack Mbangula (founder and chairperson of EEO) was recruited through a church organisation, Justice and Peace. He agreed to start the monitoring with a few volunteers. They began with workshops where the monitors were taught how to conduct research on environmental issues and later produced a newsletter.

In the process of the monitoring, Meshack was inspired to start an organisation in Ekurhuleni. Ever since the programme started, members of



David van Wyk, lead research of the Bench Marks Foundation, takes a reading during a toxic tour by members of the media

1 Action Voices – September – October, 2015

the organisation have been eager to know more about the happenings around the community and take actions towards the ills by involving the community at large.

Bench Marks Foundation contributed by facilitating workshops that helped us to identify problems, analyse the situation and take action in the community. EEO involved the community after finding out about the alarming rate of unemployment which is a problem in the society and abandoned mines that did not benefit the City of Ekurhuleni.

In addition the voice of communities was increased by mapping out the problem areas in the communities with a digitised crowd map that can be viewed at <https://communitymonitors.crowdmap.com>, which details the hotspots in communities impacted by mining operations in their areas. This map, once completely operational, will be an open and visible source of information for the use of the public, local authorities and mining corporations, and will be followed up by progress reports by the same monitors. To date, more than 200 such 'hotspots' have been loaded. In addition, small podcasts are produced by facilitators and activists.

All these media tools are available to activists in other areas via the communitymonitors.net website, a Facebook page, web based radio, and a twitter page. The digital map allows community activists to focus on monitoring impacts of corporations.



Via slightly different means the school trainers are introducing these tools in different countries across the continent, allowing monitoring projects to be developed in Mozambique, Kenya, and Burkina Faso and Zambia.

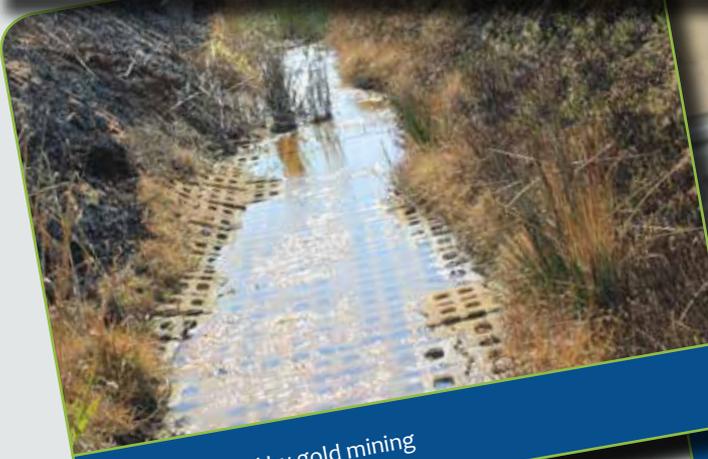
Media and communities

The 70 community monitors developed their own voice and that of the communities in various ways, developing their own writing, documentation and monitoring instruments.

- Of the monitoring instruments, a key tool in 2015 was the development and the population of a digital map, using an adapted version of the Ushahidi version software. More than 200 entries were made on this map which can be found at <https://communitymonitors.crowdmap.com>
- Development of a bi-monthly magazine *Action Voices*, that gathers the testimonies and actions of activists and community based organisations. While 500 are printed every two months, it is also available online at the www.communitymonitors.net, and is emailed to more than 500 people. The latest edition contains 60 stories writing about why I am an activist, and last year six editions were produced. These can be downloaded from www.communitymonitors.net website.
- Development of a whatsapp action voices network that now comprises 58 community activists who share ongoing daily news of hotspots from communities.
- A production team of seven, including Susan Moraba and Olebogang Motene and five other facilitators from seven regions meet every two months to edit and compile the newsletter and also coordinate monitors in their regions to write, document and populate the digital map and produce the podcasts.

Three senior facilitators were trained in the course of 2015, two of whom were female interns. Susan Moraba and Ole Motene received specialised training to develop their media skills. They were trained in conducting and recording of interviews, developing podcasts, writing and editing of these stories, and putting together *Action Voices*.

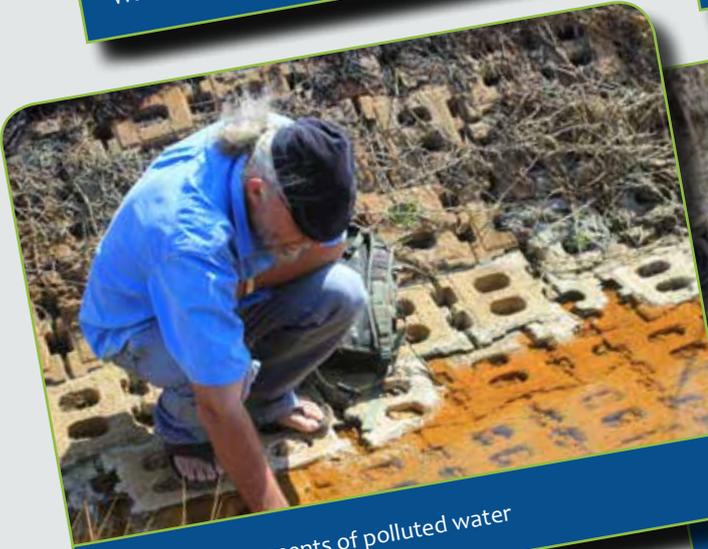
Toxi waste in Soweto



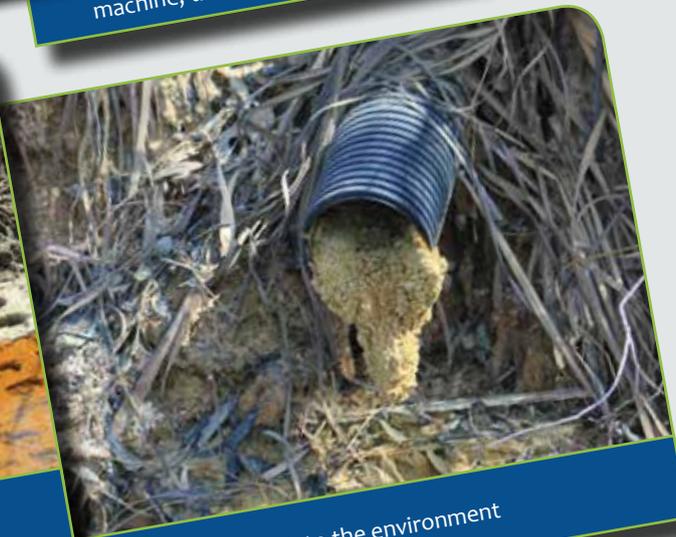
Water polluted by gold mining



One-year old baby who is permanently on an oxygen machine, thanks to mining-related pollution



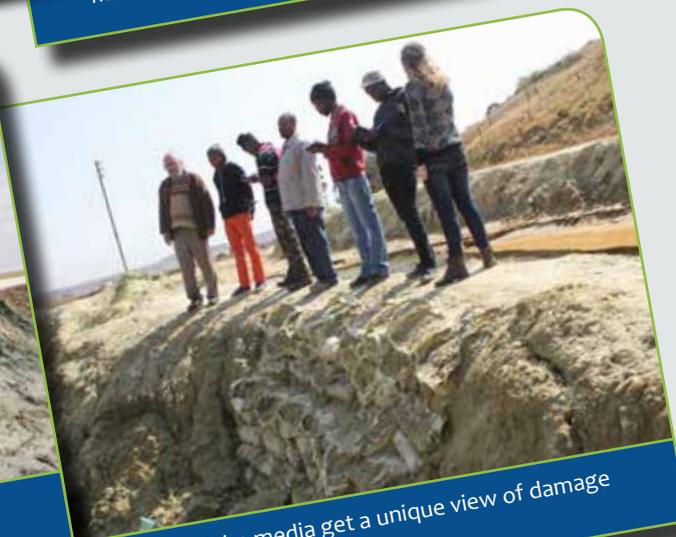
Taking measurements of polluted water



Mine waste spilling into the environment

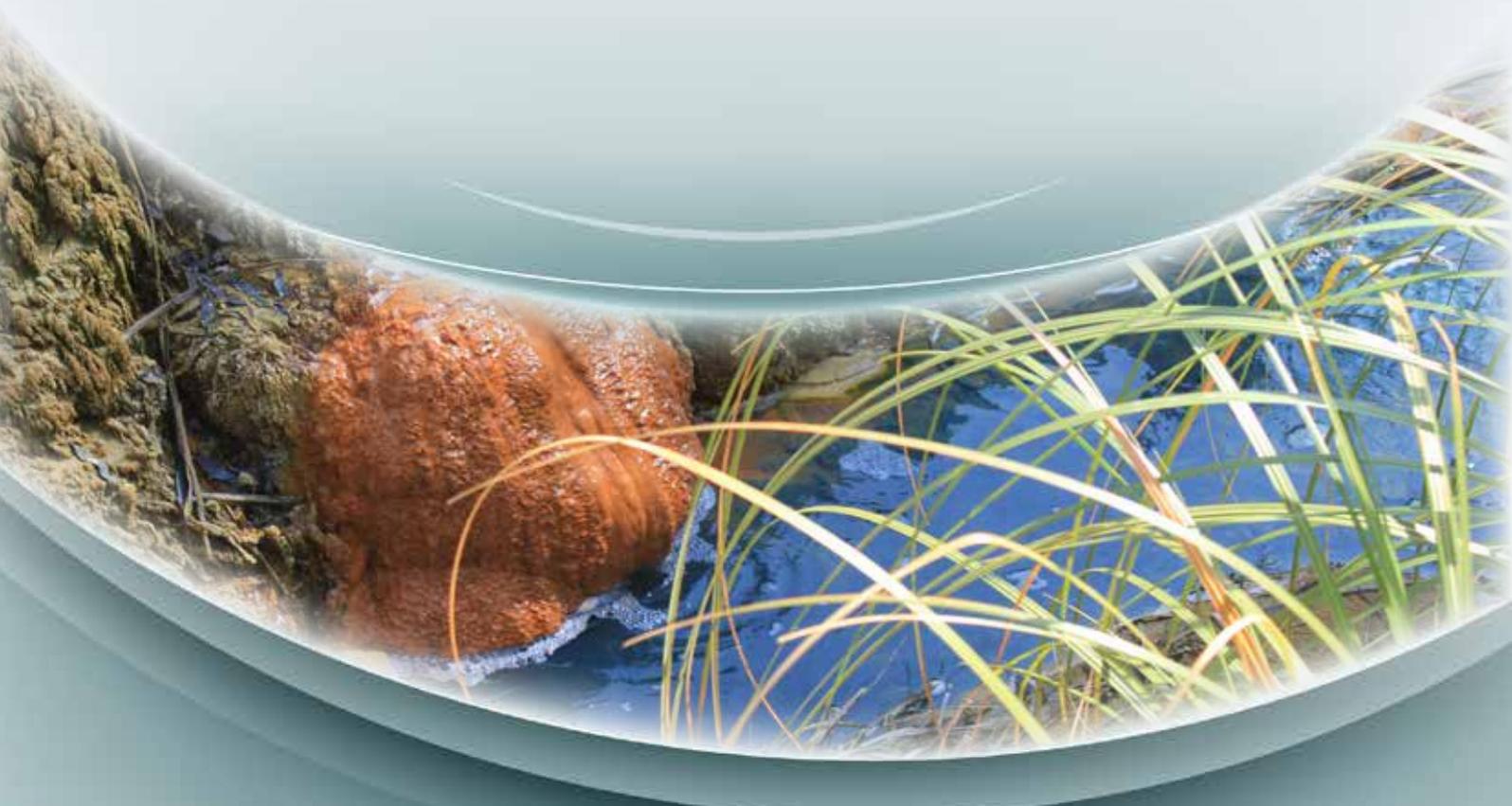


Tailings dam in Soweto



Members of the media get a unique view of damage caused by mining.

SADC cross-border work –
African roundtable on investments (ART)



SADC cross-border work – African roundtable on investments (ART)

This programme aims to strengthen community monitoring programmes across the continent and ensure cross border linkages that will strengthen the work of partners working with communities impacted by corporations, so that they are better able to dialogue with the private and state sectors.

The roundtable, as it has become known, was started as a network of organisations across southern Africa whose work includes a research focus, community monitoring and network building. While it used to meet once a year to determine common projects, the project now works through a number of networks that focus on mining and has partners in Botswana, Zambia, Malawi, Tanzania, Mozambique, Namibia and Zimbabwe. The councils of churches in each country are key partners to the process. The key focus areas are mining and retail supermarkets.

The Foundation is a founding partner of the Alternative Mining Indaba that has now grown into a respected alternative platform to the corporate sponsored mining indaba held annually in February in Cape Town. It played a key role in raising the alternative indaba's media profile and ensuring community participation in the event.

We participate through International Alliance on Natural Resources (IANRA) in promoting model legislation and our study, "Life Before and During Mining in SA", is our contribution to this process. Several years ago we began a project on common legislation across the region with our Bench Marks Foundation Centre. This information is available to IANRA.

This year, we continued our exchange programme with Bread for All, DRC and our platinum belt in Zimbabwe.

By developing the innovative community monitoring tools (including a community perception index), communities' capacities were enhanced.

In 2015 we were successful in:

- Mobilising communities to participate in the Alternative Mining Indaba (AMI) and assisting the AMI in raising its media profile through interviews as part of the AMIs held in Botswana, Zimbabwe and Zambia.
- Consolidation of an AMI platform, from which mining community voices are heard in a counter measure to the official industry-led mining indaba, held annually in February in Cape Town. Some 300 participants participated in the AMI 2015 event, up from 30 that participated when it started out six years ago. Foundation used this event to focus on its key messages transmitted to the official indaba through the media, in the official indaba itself and in meetings with corporations. Amongst these key messages was the call for an independent fund to assist communities with expertise, on social and labour plans, impacts on the environment. A second call is for the creation of an independent grievance and conflict resolution mechanism.



Sewerage pollution in Henneman



Tailings dam at Vlakfontein

- A visit was conducted to Tete province in Mozambique where local organisations helped facilitate a training workshop to assist community members and students in developing a local newsletter. This workshop was a precursor to the roll-out of a community monitoring programme and development of a policy gap study focusing on the coal mines being set up in the province in 2015. This work is carried out with the collaboration of the Canadian Steelworkers Humanity Fund.
- A draft questionnaire, a community perception tool, was tested in 2015 through two workshops involving community members, an independent researcher and researchers from the Bench Marks Foundation Centre for Corporate Social Responsibility at North West University. This questionnaire was tested in a South African community and will be offered as a tool across the region. This will form part of our envisaged rating agency and allows us to measure companies easily and at the same time empower communities with knowledge.
- In October 2015 the Foundation hosted activists from Kenya, Zambia, Zimbabwe, and Tanzania and Columbia in a learning and programming workshop, during which they examined each other's work and monitoring in the different countries.
- In 2015, a programme developed in collaboration with the Diakonia East African office was carried out in Kenya and Burkina Faso, while in Zambia the work was strengthened and plans developed for early 2016.
- The Foundation has assisted communities in Zambia, Zimbabwe, Mozambique and Tanzania, Kenya and Burkina Faso to develop their own home-grown community monitoring programmes and put training manuals used by Foundation monitors in South Africa at their disposal.

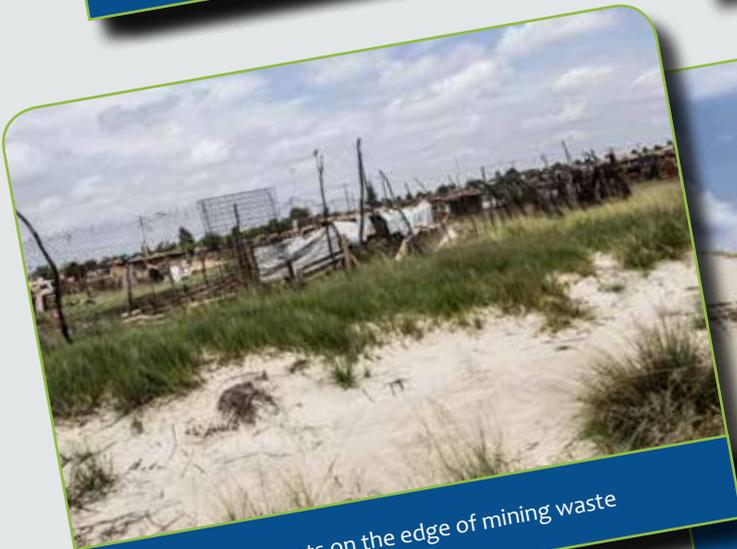
Following contact made at the AMI, the groundwork was laid for a visit of our lead researcher and an experienced community facilitator from the Foundation to Colombian partners of the Church of Sweden in October and November 2015. In this visit, the Foundation alerted the Colombian partners to the consequences of mining and set in motion a visit of Colombian partners in February 2016. The BM arranged a meeting with the top management of AngloGold Ashanti as captured in the article published on 15 February 2016. The Colombian friends noted that “we have seen what will happen after decades of mining” after they visited several mining sites and communities impacted by mining in South Africa.



Polluted water arising from mining activity



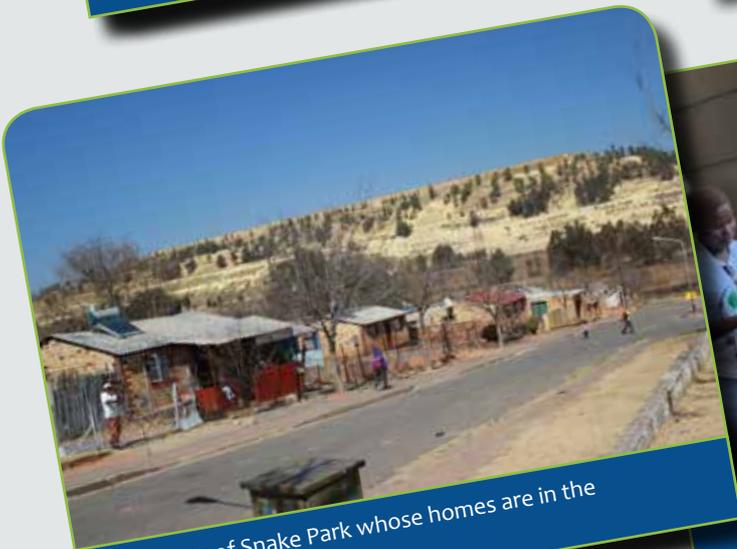
An elderly resident of Snake Park, Soweto, requires 24-hour specialised medical treatment as a result of pollution



Informal settlements on the edge of mining waste



Dust, dust everywhere

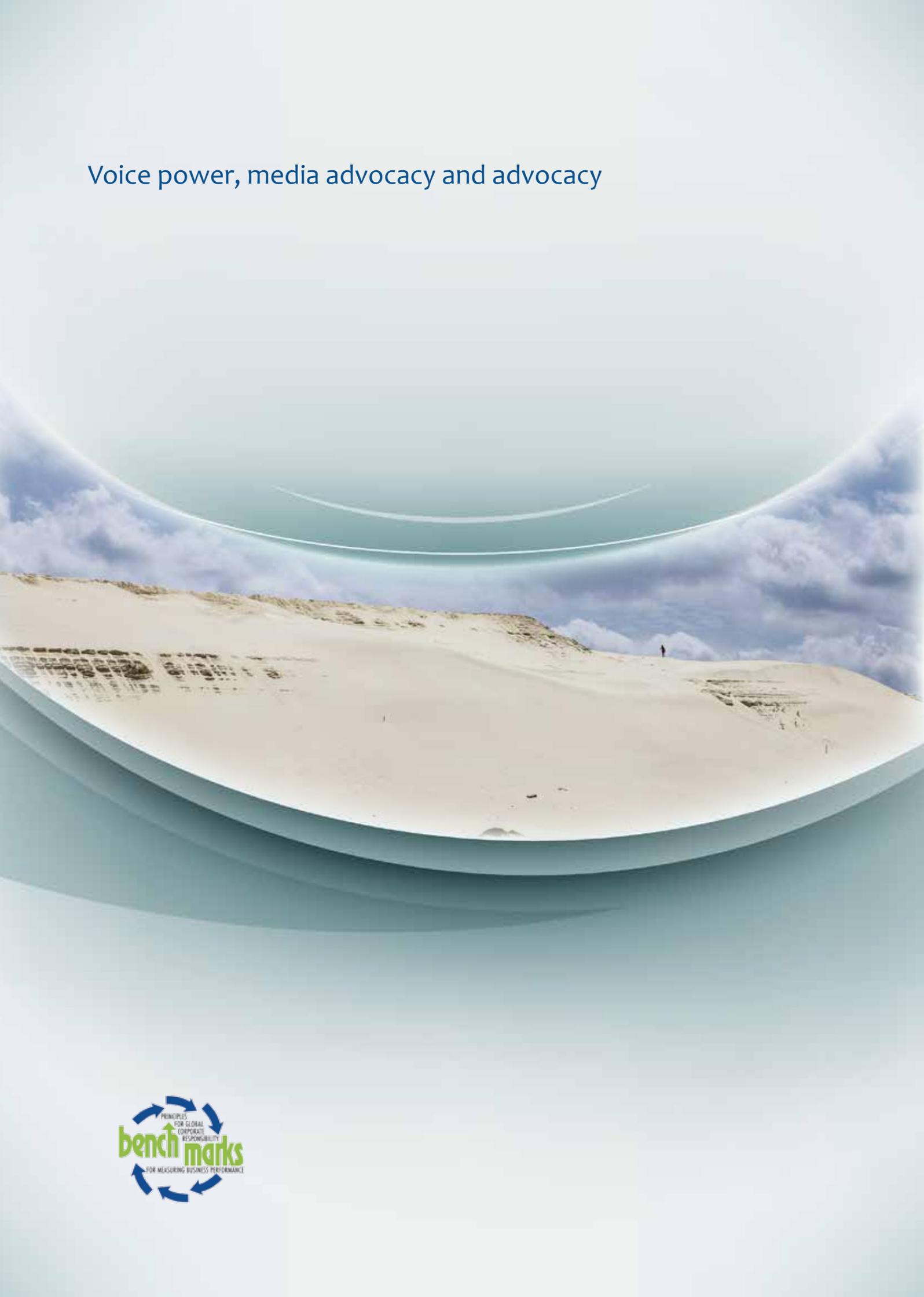


Residents of Snake Park whose homes are in the shadow of mine waste



The Rt Revd Dr Jo Seoka, chairperson of Bench Marks Foundation, holds up a water sample

Voice power, media advocacy and advocacy



Voice power, media advocacy and advocacy

Overview

This programme combines the research process and findings with the voice of community monitors and the challenges community face. It gives voice to concerns, either around corporations and their CSR record, through evidence based research and community experiences linked to the Foundation's community monitoring programme.

Follow up on Marikana support work

The Foundation's interactions with a range of stakeholders and actors has increased, due to past reports and our profile. This included the attendance of Foundation chairperson, Bishop Jo Seoka, at the annual general meeting of BASF, an investor in Lonmin the company where a dispute with workers eventually led to the massacre in 2012, and our attendance of a faith-based initiative in Germany and Switzerland focusing on corporate standards.

Farlam commission on Marikana massacre

The Foundation raised its concerns about the Farlam commission in particular with regard to the:

- Shortcomings of the Farlam Commission report in which we highlighted that:
 - The victims were disproportionality blamed, and no recommendation was made on compensation for the spouses or families of the mineworkers killed on 16 August 2012;
 - Important state actors (including the Deputy President and the then Minister of Police) escaped any proposed sanction; and
 - Lonmin, the company involved in the dispute, came off lightly and that there was an increasing militarisation and privatisation of the policing of protest in mining-impacted communities.

Campaigns for access to justice and redress

The campaign for greater access to justice and redress will be developed over the next three to five years. The aim is to progressively garner support from both industry and communities. Up until now, a leading CEO made a commitment to in a wide ranging letter. A working group is being set up and hopefully will meet late this year or early next year. The call for a fund and independent grievance mechanism was one of the key messages delivered at the Alternative Mining Indaba in February 2015.

The Foundation met twice with the CEO of Anglo American who has committed to supporting the establishment of such a fund.

Press work completed

In 2015, our media coverage increased significantly (see graph below). The media mentions increased by 118% compared to 2014. The advertising value equivalent (AVE) increased to R148 million from R121 million and BMF was mentioned in 222 media outlets. Note that the measuring of media value was done by Meltwater, a media monitoring agency that tracks exposure, so values are not comparable with other years.

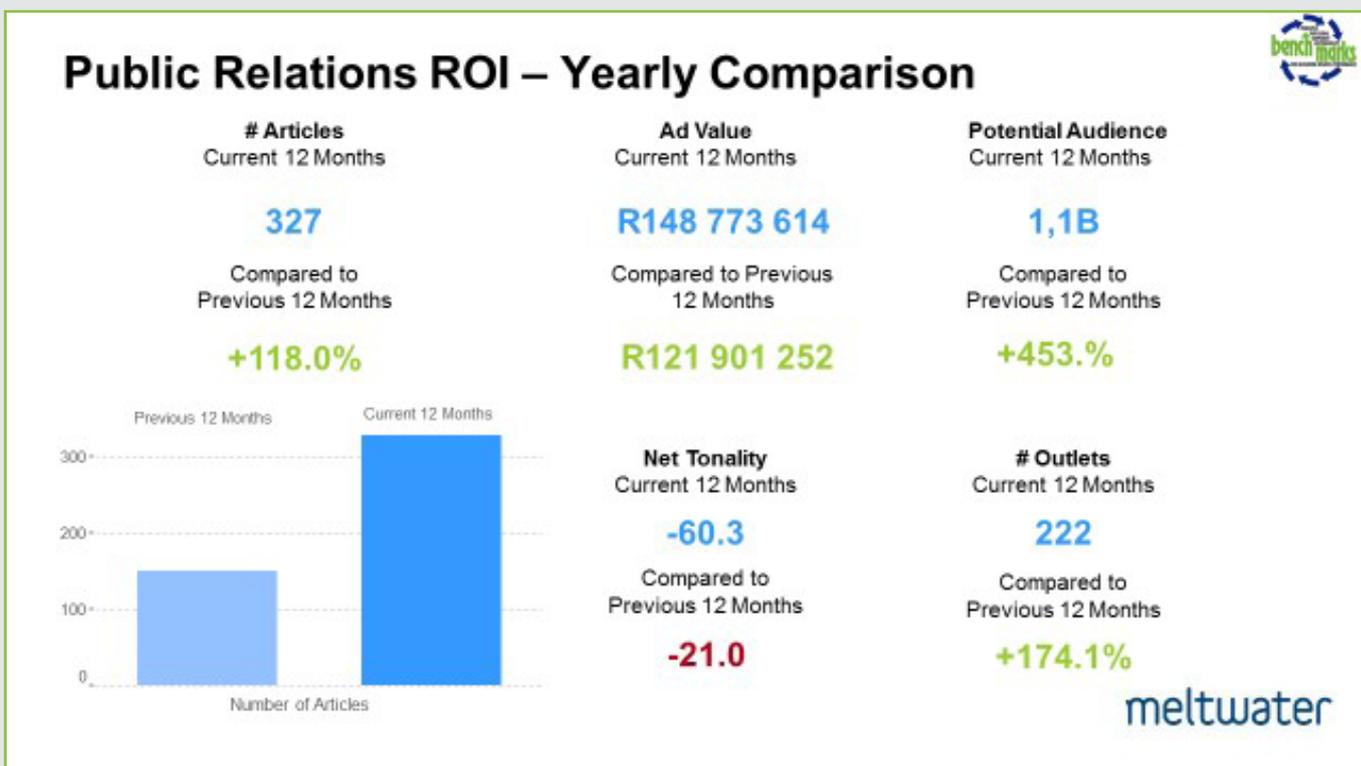
- Four press statements in reaction to the Farlam Commission² report were issued;
- 12 media statements were distributed on the the Kumba Iron Ore Report;
- Comment was submitted on the review of the Mineral Resources and Petroleum Act (MPRDA);
- A media release was issued about the mining charter (http://www.bench-marks.org.za/press/the_mining_industry_fails_to_comply_with_the_mining_charter.pdf)
- A further release was made about the death of a miner in Limpopo³

² http://www.bench-marks.org.za/press/kumba_iron_ore_report.pdf, http://www.bench-marks.org.za/press/serious_questions_raised_from_farlam_report.pdf; http://www.bench-marks.org.za/press/demilitarisation_welcomed_but_private_security_companies_need_investigation.pdf
http://www.bench-marks.org.za/press/jo_seoka_opinion_marikana_report.pdf

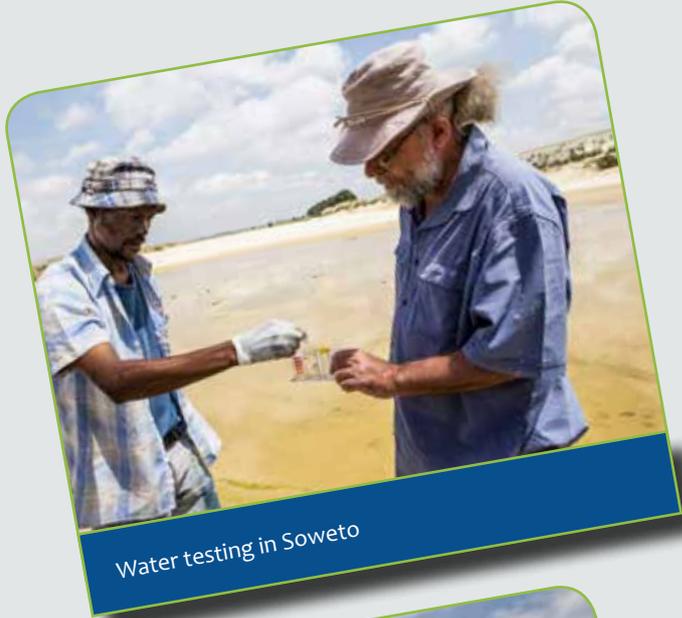
³ http://www.bench-marks.org.za/press/another_miner_killed_in_limpopo.pdf

- Raising the profile of the Alternative Mining Indaba⁴ Bishop Jo Seoka at the Alternative Mining Indaba: (http://www.bench-marks.org.za/press/jo_seoka_alternative_mining_indaba.pdf) Machel at the Mining Indaba (http://www.bench-marks.org.za/press/effective_communication_is_require_to_stem_mistrust_in_the_mining_sector.pdf) http://www.bench-marks.org.za/press/jo_seoka_alternative_mining_indaba.pdf
- At the mining indaba key concerns were raised through the key messages document.

Below is an extract from the media coverage report measured by Meltwater, a communications monitoring company, based mainly on internet searches. A full report covering the 12 months to 8 December 2015 is available.



4 http://www.bench-marks.org.za/press/jo_seoka_alternative_mining_indaba.pdf



Water testing in Soweto



Laid bare and wasted



Full of the joys of a young life.... but pollution from living so close to mining waste casts a shadow over his future.



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Annual Report 2015

PROGRAMMES, STRATEGIES AND ACTIVITIES