



## Media statement by the Bench Marks Foundation

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### Dingleton relocation severely affecting community

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#### FOR IMMEDIATE RELEASE

While waiting for relocation by Kumba Iron Ore Limited, Dingleton in the Northern Cape of South Africa, experiences a serious lack of service delivery by Gamagara Local Municipality, according to a report released today by the Bench Marks Foundation.

Reports of a shortage of water, filthy and broken toilet facilities in the hostels, blocked drains, streets riddled with potholes, broken sidewalks, no street lights and refuse not collected for weeks, are regularly heard from the community.

Bench Marks Foundation and the Bench Marks Centre for Corporate Social Responsibility (CSR) at the North-West University's report, entitled 'Floating or Sinking' Social Licence to Operate (SLO): Kumba Iron Ore Limited, investigates the strengths and weaknesses in Anglo American's Kumba Iron Ore mining company's policies in its efforts to gain and maintain a Social Licence to Operate

"Although a lot of these issues are not the responsibility of Kumba Iron Ore, but of the Gamagara Local Municipality, the length of time that it has taken to relocate the community to Kathu is," says Professor Freek Cronjé, Director of the Bench Marks Centre.

"Discussions started in the late 1980s and it was only in 2007 that Kumba began planning the move. The first phase of the Dingleton Relocation Project only took place in November 2014.

"During this time, the local government has not invested in the infrastructure of the town, which was established in the 1950s. The town is a ruin and businesses and shops have pulled out meaning that the community has to travel to Kathu to get supplies or even petrol. This is expensive.

A Resettlement Working Group was formed, consisting of six Dingleton residents, four representatives from the local Gamagara Municipality, three members from the Northern Cape Provincial Government, two Kumba representatives and various consultants. According to Cronje, however, this working group does not seem to have been that successful, especially with regard to ensuring that the local municipality continues with its role in the town until relocation.

He adds: "Community members have not been kept in the loop of what is happening or of when meetings will take place. They have also expressed outrage that when they eventually get to go to a meeting, what is said in that meeting and what one experiences in practice are two completely different things.

"They talk about how the working committee 'sweet talks' you to get your buy-in, but that nothing is what they promise," says Cronjé.

The report also raises the issue of renters or backyard dwellers in the area who have not been taken into account with the relocation.

Cronjé said that the situation regarding the renters and dwellers arose notwithstanding Kumba's undertaking that public involvement was paramount at all stages of the process and communication between all parties was essential to identify all any areas of concern.

He said it was important to realise is that the renters and dwellers were mostly contract workers for Kumba.

“Why is it that the living-out allowance is still used as a scapegoat for the mine’s responsibility? The community has to fight to get those affected by this, considered in the relocation,” says Cronjé.

Among the many recommendations to Kumba within the report, the Bench Marks Foundation recommends that the company urgently address and fast-track the long dragged-out resettlement process, together with the local municipality.

It also recommends that serious attention be given to the general housing problem, including that of renters and that Kumba be more transparent about the reasons for relocating community members from Dingleton as many feel the denial of services by the local municipality is part of a strategy to move them, without proper consent and compensation.

Says Cronjé: “If communities must be relocated, it must be undertaken with full disclosure and free, prior and informed consent by the community as well as a guarantee that the communities will be better-off than before.

“They should suffer little or no alienation from cultures or customs and their ancestral graves. We also believe that communities must have the right to call in, at the companies’ expense, experts and professionals to support their negotiations with the company”.

The report is the tenth edition of the Bench Marks Foundation’s Policy Gap series. For more information on the Bench Marks Foundation, or to view all reports by the organisation as well as other information relating to the Kumba research, go to [www.bench-marks.org.za](http://www.bench-marks.org.za).

Amongst others, the Bench Marks Foundation calls for a new relationship between corporations, communities and ecosystems; equal participation of stakeholders and those most affected by the activities of corporations in the decision-making processes of companies; preservation and protection of the environment for present and future generations, and respect for the dignity of every person and human rights policies based on the Universal Declaration of Human Rights.

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#### **About Bench Marks Foundation:**

Bench Marks Foundation is an independent non-governmental organisation mandated by churches to monitor the practices of multi-national corporations to

- ensure they respect human rights;
- protect the environment;
- ensure that profit-making is not done at the expense of other interest groups; and
- ensure that those most negatively impacted upon are heard, protected and accommodated within the business plans of the corporations.

The Foundation was launched by the Rt Rev Dr Jo Seoka who chairs the organisation and by member churches of the SACC in 2001.

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