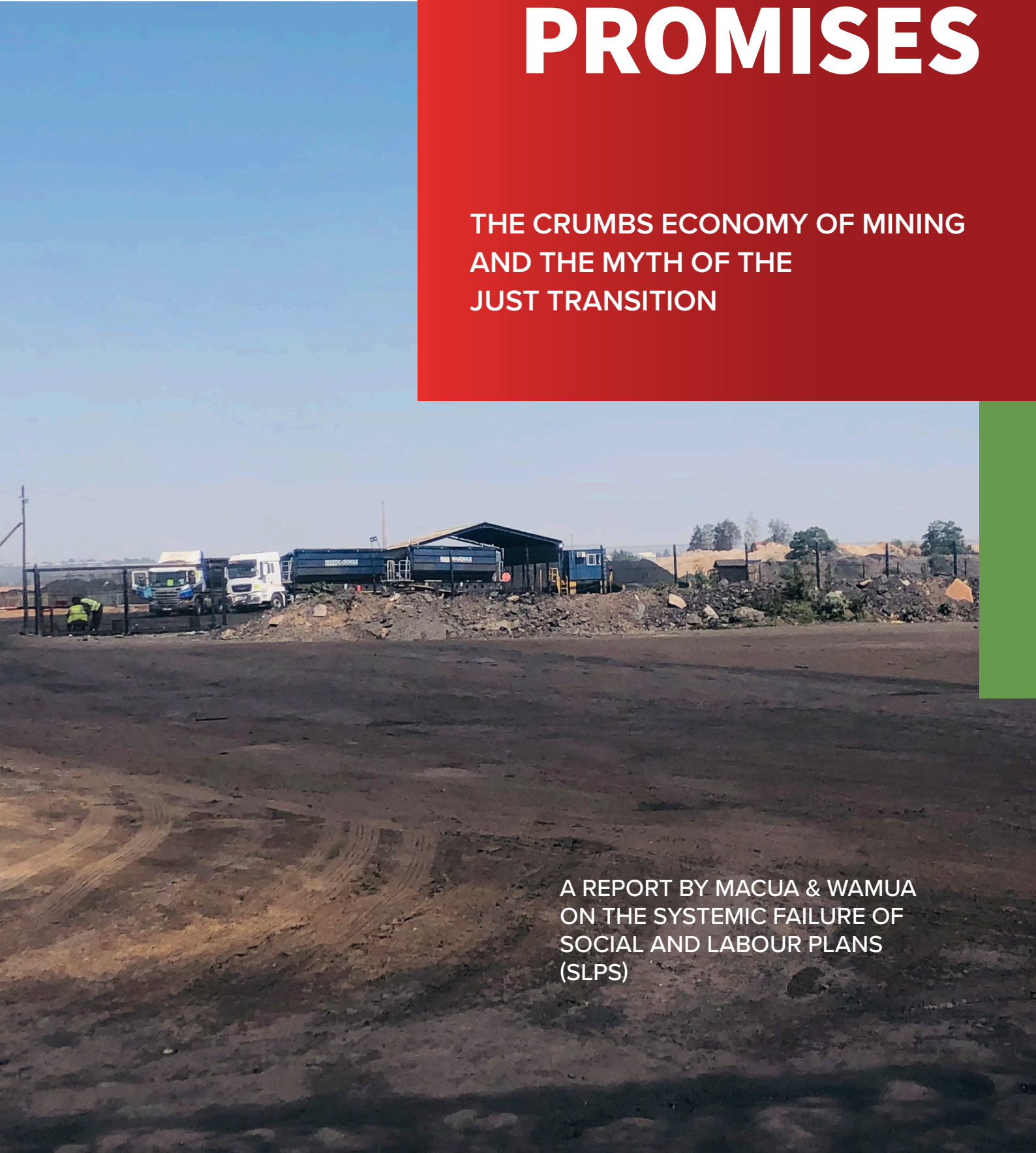




2025 LOOTED PROMISES

THE CRUMBS ECONOMY OF MINING
AND THE MYTH OF THE
JUST TRANSITION



A REPORT BY MACUA & WAMUA
ON THE SYSTEMIC FAILURE OF
SOCIAL AND LABOUR PLANS
(SLPS)

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This report is not a product of external observation or detached analysis—it is the result of the collective labour, political clarity, and strategic agency of **MACUA/WAMUA/YAMUA branches across the country**. These branches are the backbone and brain of the movement. Their leadership, discipline, and unwavering commitment to justice shaped and directed every stage of this audit process.

The data, the insights, and the vision contained in this report were made possible because these branches took ownership of the process and asserted their right to define the narrative. It is their work, conducted in often hostile conditions, that has brought these critical truths to light. **This report is not about them—it is from them.**

We recognise every individual who made the decision to join MACUA—not with thanks, but with respect and solidarity. In a context where apathy and silence are manufactured by fear and exclusion, choosing to organise is a radical and courageous act. The power of this movement lies in the daily resistance of its members, who refuse to be silenced, sidelined, or spoken for.

We also acknowledge the **National Executive Committee and National Organising Team**. Their political leadership, strategic direction, and disciplined stewardship of the movement have been essential to the success of this report and the integrity of its process.

We also recognise the unwavering dedication and collective effort of the **MACUA/WAMUA Advice Office team**, whose vision, discipline, and sustained commitment were instrumental in driving this project forward over the past three years. In a context marked by limited resources, shifting political terrain, and intense institutional pressures, the team has steadfastly held the work together—not just administratively, but politically and ethically. The team’s ability to integrate strategic coordination with grassroots accountability ensured that this report remained authentically connected to its source: the communities themselves. Despite numerous challenges and significant burdens, each team member’s consistent presence and principled approach have been essential to this report’s successful completion and impact.



We recognise the **Paralegal team** not only as technical support, but also as critical intellectual, political and grassroots activist contributors. Their long hours, attention to detail, and deep engagement with both the fieldwork and the writing process have sharpened this report and deepened its credibility.

We recognise the role of our **funding partners** not merely as financial contributors, but as **political allies in the broader struggle for justice, accountability, and the recognition of community agency** in South Africa's mining sector.

The support of the **Ford Foundation, Norwegian People's Aid, Heinrich Böll Foundation** and the **Raith Foundation** has enabled this movement to sustain its organising, amplify community voices, and assert our right to self-defined development. These organisations have consistently shown a commitment to resourcing movements rooted in grassroots power, and we acknowledge their role in helping advance this critical work.

Finally, we acknowledge ActionAid Netherlands—not simply as a donor, but as a long-standing and deeply engaged **partner in the struggle for mining justice**. Their support has been vital to the **scale, depth, and reach** of this report, and their consistent affirmation of **community-centred, feminist, and decolonial approaches** has strengthened the political integrity of this work. In a funding landscape often shaped by conditionality and caution, ActionAid Netherlands has remained grounded in solidarity.

This work does not exist because of external support. It exists because communities claimed the power to investigate, speak, and act. But **resourced solidarity**, when aligned with the vision and authority of affected people, makes that power harder to ignore—and harder to stop.

Christopher Rutledge

MWAO

LOOTED PROMISES

The Crumbs Economy of Mining
& the Myth of the Just Transition

A Report by MACUA & WAMUA
on the Systemic Failure of
Social and Labour Plans (SLPs)



MACUA



WAMUA



Across eleven communities, MACUA and WAMUA's social audits reveal the anatomy of a developmental deception. Social and Labour Plans (SLPs)—created as legal mechanisms for redistributive justice—have been hollowed out by corporate misrepresentation, inflated delivery claims, ghost projects, and financial manipulation.



INTRODUCTION

A BRIEF OVERVIEW OF MACUA & WAMUA – ADVANCING A JUST TRANSITION FROM THE GROUND UP

The formation of MACUA (Mining Affected Communities United in Action) and WAMUA (Women Affected by Mining United in Action) was catalysed by the Marikana Massacre of August 2012—a defining moment in South Africa’s post-apartheid history that exposed the violent collusion between extractive capital, state power, and elite interests. The massacre made clear what many communities had long known: that the democratic promises of restitution and redress had been subordinated to the demands of multinational mining companies and politically connected oligarchs.

In the wake of this rupture, over 150 community and civil society delegates gathered for the Mining Communities and Allies Dialogue convened in December 2012 by IANRA and ActionAid South Africa. Out of this process emerged a radical collective consciousness: that mining-affected communities were not beneficiaries of development—but subjects of structural violence, ecological dispossession, patriarchal exclusion, and extractive capitalism cloaked in developmental language.

MACUA and WAMUA were born not as NGOs, but as grassroots formations—a resistance movement built from the ground up, rooted in popular political education, feminist organising, and democratic accountability. Later joined by YAMUA (Youth Affected by Mining United in Action), the movement reimagined the terrain of extractive governance: not as a technocratic space reserved for experts and bureaucrats, but as a political battlefield over land, water, dignity, and economic justice.

Today, MACUA and WAMUA are at the forefront of South Africa’s Just Transition struggles, demanding that any move to a post-carbon economy be grounded in a reckoning with the mineral-fuelled injustices of the past and present. The movement’s position is unequivocal: **no transition is just if it reproduces colonial dispossession in green clothing.**



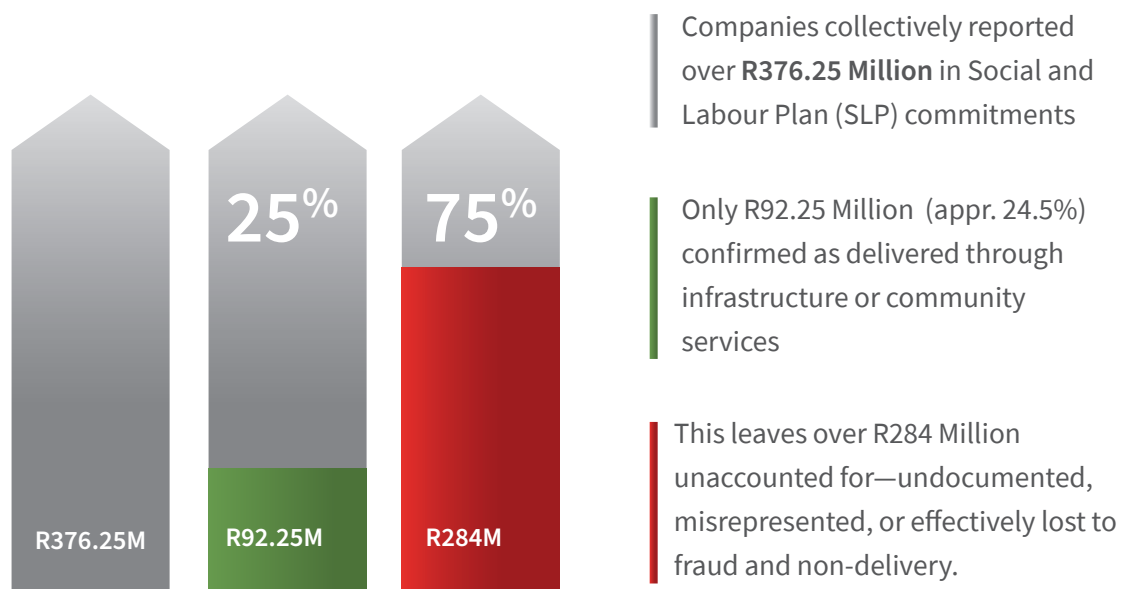
CRUMBS CAPTURE: WHEN EVEN THE SCRAPS ARE STOLEN

From the manganese pits of Mononono to the platinum seams of Sandfontein, from the copper corridors of Phalaborwa to the chrome-stained valleys of Ikemeleng, MACUA and WAMUA’s 2024 community-led social audits reveal **a structural obscenity: a mining sector that celebrates “transformation” while looting the crumbs it claims to distribute.**

This is what we now call “**Crumbs Capture**”—a morally bankrupt system in which even the limited funds earmarked for development are misappropriated through **inflated tenders, ghost projects, falsified delivery reports, and elite capture**, all while communities languish in deepening poverty.

Across the 11 audited communities:

- Companies collectively reported over **R376.25 million** in Social and Labour Plan (SLP) commitments;
- Only **R92.25 million** (approximately **24.5%**) was confirmed as actually delivered through infrastructure or community services;
- This leaves over **R284 million** unaccounted for—either undocumented, misrepresented, or effectively lost to fraud and non-delivery.



This is not merely a gap in implementation—it is the looting of legally mandated development obligations under the guise of corporate social investment.

But this is only part of the picture.

Collectively, the audited companies generated an estimated **R218.8 billion** in turnover over the five-year SLP period, yielding estimated profits of **R72.23 billion**. Yet from these vast earnings, only **R92.25 million**—or **0.13% of total estimated profit**—was delivered in tangible, verifiable community benefit.

This is not underperformance. It is **developmental theft**—a system of **Crumbs Capture**, in which even the legally required entitlements of the poor are systematically looted, while mining companies and politically connected actors continue to profit from public deception.

Nowhere is this clearer than in **Magojaneng**, where **United Manganese of Kalahari (UMK)** operates one of South Africa’s most profitable manganese mines. Despite a reported **R172 million in SLP obligations**, MACUA’s audit found no transparency, no community oversight, and no evidence of delivery proportionate to the commitment.

UMK—co-owned by **Chancellor House**, the **ANC’s investment vehicle**, and Russian oligarch Viktor Vekselberg—has never published its financials, yet claims compliance through the DMPR’s self-reporting regime.

This is not development. This is a **False Benevolence Economy**—where corporations launder looting through public relations, and the state enables the theft by refusing to investigate or prosecute¹.

¹ [Annexure: Final matrix with Sector Content](#)

THE STATE'S ROLE IN THE THEFT OF PROMISES

Despite MACUA & WAMUA submitting this evidence to Parliament, the DMPR, and the Portfolio Committee on Mineral Resources and Energy, the response has been one of **institutional silence, procedural evasion, and regulatory complicity**.

In April 2025, MACUA filed a formal ethics complaint against the Chairperson of the Portfolio Committee, citing **misleading statements to Parliament and failure to engage mining-affected communities about this very question**. Yet the Committee, like the Department, has refused to act. The result is a governance crisis in which:

- ▶ **Operation Vala Umgothi** is used to criminalise poor artisanal miners as “economic terrorists”; while,
- ▶ **Police are deployed** to suppress peaceful protest in affected communities;
- ▶ **SLAPP suits and interdicts** are used by mining companies to silence community leaders and block mobilisation;
- ▶ But no action is taken to investigate **over R284 million in missing SLP funds**.

This is not regulatory failure—it is **state-sanctioned theft**. It is the criminalisation of poverty and protest, while **corporate criminals enjoy impunity** behind the mask of “compliance.”

MACUA AND WAMUA'S VISION: FROM RESISTANCE TO JUSTICE

MACUA and WAMUA do not expect justice to be handed down. It must be seized through **organisation, mobilisation, documentation, and struggle**. The movement's vision for a truly Just Transition includes:

- 1** **Reclaiming Power:** Mining-affected communities must have **legal authority to approve, reject, monitor, and shape** all SLPs, with enforceable access to contracts, budgets, and rights records.
- 2** **Rejecting Tokenism:** No more symbolic “consultation.” Communities demand **Free, Prior, and Informed Consent (FPIC)** as a binding principle, not a bureaucratic checkbox.
- 3** **Advancing the People's Mining Charter:** A transformative framework adopted in 2016, driven by communities, and built on **redistribution, feminist justice, and democratic accountability**.
- 4** **Building Independent Movements:** Free from **political party capture, NGO dependency, and donor strings**—rooted in branches, assemblies, and the lived struggles of the poor.

This is not merely a call for reform. It is **a call to end the False Benevolence Economy**. It is a demand to dismantle a governance regime where even **the crumbs left for the poor are stolen in broad daylight**—and to replace it with a system rooted in **justice, equity, and people's power**.

Until that happens—MACUA and WAMUA will continue to resist, document, organise, and expose. One audit at a time.



EXECUTIVE SUMMARY

This Social Audit Report is the third in MACUA & WAMUA’s national series of community-led investigations since 2018. Together, these audits represent one of the most sustained grassroots accountability efforts in post-apartheid South Africa—tracing the systemic failures of mining regulation from the ground up and exposing how mining continues to entrench dispossession and inequality under the false promise of transformation.

Framed within the context of the Just Energy Transition (JET), this 2025 report interrogates how the shift from coal to so-called “transition minerals” like manganese, platinum, chrome, and copper is being used not to transform South Africa’s extractive political economy—but to expand and greenwash it.

While state actors and mining houses proclaim the JET as a gateway to inclusive growth, green jobs, and climate resilience, the reality revealed in these pages is far starker: a political economy of **development fraud, elite collusion, and looted promises**, where the very tools meant to redistribute mining wealth—**Social and Labour Plans (SLPs)**—have become vehicles of **systemic theft**.



AUDITED FINDINGS FROM 11 MINING-AFFECTED COMMUNITIES

Using participatory research, physical site verifications, and testimonies from directly affected communities, the report audits SLP implementation across 11 sites including Phola, Mononono, Ikemeleng, Meloding, Rabokala, Magojaneng, and others. It reveals:

- ▶ Total SLP Value Assessed: R376.25 million
- ▶ SLP Funds Unaccounted For: R284 million—approximately 75% of committed funds either missing, undocumented, or falsely reported as delivered
- ▶ Confirmed SLP Delivery: Only R92.25 million in verifiable infrastructure or services reached communities
- ▶ Average Completion Score: 23.25%
- ▶ Average Community Value Score: 21.5%

In sites like **Mononono (10% completion, 5% value)**, **MNS (0% delivery)**, and **Rabokala (7.1% completion, 9.6% value)**, audit teams found no functional infrastructure where projects were declared complete. Some clinics were padlocked, roads unfinished, and schools repainted instead of rebuilt. Contractors were untraceable. In many communities, not a single woman had been consulted in SLP planning.

These are not anomalies. They are evidence of a **systemic pattern of exclusion, misreporting, and financial opacity**.

Crumbs Capture and the False Benevolence Economy

The audits confirm what MACUA & WAMUA have long argued: that mining in South Africa operates under what we call “**Crumbs Capture**”—a morally obscene system where even the minimal resources meant for the poor are looted in the name of development.

Across the 11 audited companies:

Turnover exceeded R218.8 billion, with estimated profits of R72.23 billion.

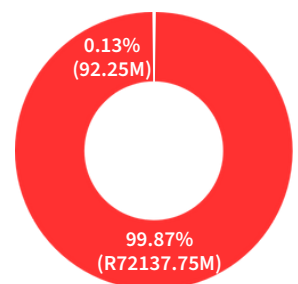
Yet only **R92.25 million**—just **0.13% of profits** was reinvested into communities through real, verifiable SLPs.²

This is not underperformance. It is **developmental theft** dressed in the language of benevolence.

In **Magojaneng**, for instance, **UMK**, co-owned by Chancellor House (the ANC’s investment arm), failed to account for **over R172 million in SLP obligations**. No meaningful public disclosure. No transparency. No delivery matching the scale of its profit.

This is not transformation—it is **False Benevolence Economics**: a system where mining companies **weaponise the language of upliftment** to secure social license while delivering next to nothing. “**Compliance**” is **fabricated**. “**Consultation**” is **staged**. And **poverty becomes a precondition for looting**, not its justification.

2 How the Profit Estimate Was Calculated: The estimated profit of R72.23 billion was derived using the following approach: Estimated Turnover: Based on updated financial disclosures and the audit matrix covering all 11 audited mining companies (including Magojaneng), total estimated turnover is approximately R218.8 billion. Profit Margin Applied: A conservative industry average profit margin of 33% was applied. This estimate is grounded in historical EBITDA/net profit margins reported by major South African mining companies such as South32, Glencore, Seriti, and others operating in similar commodities and market conditions. Calculation: Estimated Profit = R218.8 billion × 0.33 = R72.23 billion



Estimated Profit vs Actual
SLP Delivery

A National Crisis of Developmental Theft: The Case for Urgent Investigation and Structural Reform

What emerges from this report is not merely a pattern of localised underperformance—it is the revelation of a **national developmental emergency**.

The social audits conducted by MACUA and WAMUA across 11 mining-affected communities have exposed a system of **state-sanctioned extraction without redistribution**, in which even the crumbs legally mandated for poor communities are systematically looted under the false banner of corporate transformation.

Extrapolated Theft at a National Scale

Based on rigorous calculations, the scale of under-delivery revealed by this audit is not an anomaly—it is an indication of a country-wide pattern of “Crumbs Capture.” The 11-site audit revealed that **an average of R27.88 million per site** in committed SLP funds went unaccounted for. When this figure is **extrapolated to national levels**, using conservative and moderate estimates of mining rights with SLP obligations, the crisis becomes staggering:

SCENARIO	ESTIMATED ACTIVE MINING RIGHTS	AVERAGE UNDER-DELIVERY (PER SITE)	EXTRAPOLATED TOTAL UNDER-DELIVERY
CONSERVATIVE	700	R27.88 million	R19.516 BILLION
MODERATE	900	R27.88 million	R25.092 BILLION

These figures are not based on speculation. They are grounded in verified audit findings and reflect a consistent under-delivery rate of **76.85%**—a rate that, if even partially representative of national performance, would constitute one of the largest public development failures in post-apartheid South Africa.

Sector-Wide Misrepresentation

This crisis is further validated when compared to **industry-wide expenditure claims**. According to the Minerals Council of South Africa, mining companies reported spending **R4.9 billion on social investment in 2023**, which they claim represents 59% of the sector.

TOTAL ASSESSED SLP VALUE	UNACCOUNTED FOR SLP FUNDS	CONFIRMED SLP DELIVERY	AVE SLP COMPLETION SCORE	AVE SLP COMMUNITY VALUE SCORE
R376M	R284M	R92M	23.25%	21.5%

“

“Crumbs Capture”— where even the minimal crumbs of development funding meant for poor communities are looted not only by corporations, but by the political elite who claim to represent them.



Extrapolated to 100%, the total projected annual spend becomes **R8.3 billion**, or **R16.6 billion over two years**. Applying the under-delivery rate of 76.85% to this national figure yields the following:

- **R16.6 billion × 76.85% = R12.76 billion** potentially unaccounted for at the national level.

This is **R12.76 billion** in development promises that exist only on paper, while schools collapse, clinics remain shuttered, and entire communities live without water or roads.

The Real Cost: Legitimacy and Lives

This is not just a financial failure. It is a **collapse of state legitimacy**, a betrayal of constitutional promises, and a denial of basic rights. What the data confirms is that **SLPs have become instruments of developmental fraud**, not vehicles of redress.

Over **R25 billion** in extrapolated under-delivery.

More than **R12 billion** in unverifiable “social investment.”

Less than **0.13%** of corporate profits returned to communities.

And **no investigations, no prosecutions, no accountability**.

Meanwhile, Parliament refuses to act. The DMPR remains a conduit for falsified self-reporting. Law enforcement agencies prosecute the poor but shield the powerful. This is **not neglect**—it is a coordinated system of elite capture and state-sanctioned impunity.

This Is a National Emergency—Not an Administrative Issue

We are witnessing what can only be described as a **national developmental crisis**. The scale, consistency, and audacity of this under-delivery—backed by ghost infrastructure, falsified reports, and complete absence of enforcement—requires immediate action at the highest levels.



A Broken Promise Becomes a National Reckoning

What is at stake is not merely better governance—it is the **soul of South Africa’s democracy**. If mining companies can steal legally mandated development funds without consequence, while the state looks away and criminalises resistance, then the constitutional project has failed the people it was meant to uplift.

Over **R25 billion** in looted development is not an accounting error—it is a crime.

It is not just Crumbs Capture. It is the **systematic theft of futures**.

Until there is justice—there can be no Just Transition.

Regulatory Collapse and Parliamentary Complicity

The systemic failure outlined in this report cannot be attributed solely to corporate misconduct. It is made possible—indeed, perpetuated—by a regulatory system that has, by all appearances, abandoned its constitutional and statutory duties. What emerges from the evidence is not a picture of benign neglect or overburdened bureaucracy, but one of deliberate inaction, selective enforcement, and entrenched impunity.

At the centre of this failure is the Department of Mineral and Petroleum Resources (DMPR), the national regulator charged with ensuring that Social and Labour Plan (SLP) obligations are fulfilled in mining-affected communities.

Despite receiving multiple detailed audit submissions from MACUA & WAMUA over several years—comprising verified evidence of non-delivery, photographic documentation of ghost projects, and community testimonies—the DMPR has refused to conduct follow-up investigations or take corrective action.

Instead, it continues to rely almost exclusively on self-reported compliance data submitted by mining companies—data that has been consistently proven to be incomplete, inaccurate, and in some cases, demonstrably false.

But the failure does not end with the executive arm of the state. The Parliament of South Africa, through the Portfolio Committee on Mineral Resources and Energy, has similarly abdicated its role as constitutional watchdog.

Despite being repeatedly briefed on patterns of non-compliance and community harm, the Committee has not launched a single formal inquiry into SLP corruption or regulatory failure. Communities have been denied the opportunity to present their findings directly to Parliament, and no action has been taken to challenge or correct the false claims of community consultation made by some mining companies and traditional authorities.

In April 2025, MACUA lodged a formal ethics complaint against the Chairperson of the Portfolio Committee about this very matter, citing dereliction of duty, misrepresentation to Parliament, and a sustained refusal to engage with affected communities.

The complaint represents not only a call for individual accountability but a broader indictment of a legislative body that has, through its silence, become complicit in extractive injustice.

These failures—by the regulator and the legislature—do not amount to passive negligence. They constitute active, institutional complicity in a system that enables the theft of public goods, the laundering of inequality, and the silencing of the poor.

The state has not simply failed to regulate—it has chosen not to. It has looked away from development fraud while criminalising protest, detaining artisanal miners, and allowing corporate actors to rebrand looting as “transformation.”

A National Emergency Disguised as Development

What is at stake here is not a matter of missed deadlines or poor project management. **The R284 million in missing or undocumented SLP funds uncovered in this report were not optional contributions or goodwill gestures. They were legally binding obligations**—promises etched into mining licenses and policy frameworks—meant to redress apartheid-era underdevelopment and provide basic services to some of the most deprived communities in the country.

Yet, across 11 audited communities, less than a quarter of these projects were completed to a satisfactory standard, and fewer still delivered meaningful developmental impact. This failure occurred even as mining companies generated over **R218.8 billion** in turnover and **R72.23 billion** in profits from the minerals extracted beneath those same communities. In contrast, only **R92.25 million—just 0.13%** of that profit—was actually delivered to the people meant to benefit. This is not underperformance. It is plunder, dressed up as policy.

“

No regulatory action has been taken. No penalties issued. No compliance audits conducted. The Department of Mineral and Petroleum Resources (DMPR) has remained silent—not due to oversight, but due to complicity enabled by political entanglement.

This report identifies and names the phenomenon at the heart of this dynamic: **the False Benevolence Economy**. It is a system in which development language is weaponised to shield theft, where glossy corporate brochures are used to mask broken schools, and where community upliftment is reduced to public relations. It is a morally bankrupt cycle of **Crumbs Capture**—a situation in which even the bare minimum intended for the poor is siphoned off through collusion, fraud, and silence.

The cost of inaction is not theoretical—it is borne daily by communities left without water, clinics, roads, or dignity, even as billions are extracted from beneath their feet. South Africa’s constitutional democracy cannot survive another decade of betrayal. And mining-affected communities will not remain silent while their futures are bartered away in boardrooms and backroom deals.

A different path is possible—but only if we fight for it. This report is a tool in that fight. Use it. Share it. Build from it.

And remember: **No transition is just if it begins with a lie.**



WHEN THE REGULATOR PROFITS: POLITICAL OWNERSHIP AND THE COLLAPSE OF OVERSIGHT

At the heart of any functioning democracy lies the principle of impartial oversight. Yet in South Africa's mining sector, this principle is fatally compromised. One of the most striking revelations of this audit cycle emerges from Magojaneng, where the community-led investigation into United Manganese of Kalahari (UMK) revealed a crisis that goes beyond typical regulatory failure—it exposes a fundamental collapse of the legitimacy of state oversight.

UMK, one of South Africa's largest manganese producers, is part-owned by **Chancellor House Holdings, the ANC's investment arm**, and by Pitsa Ya Setshaba Holdings, another politically connected vehicle. These ownership structures mean that **the ruling political party profits directly from mining operations it is constitutionally mandated to regulate**. In effect, **the regulator is also the shareholder, and therefore cannot act independently or in the public interest**.

This dual role—as both beneficiary and enforcer—represents a textbook case of state capture.

It explains, in part, how UMK could budget over R172 million in Social and Labour Plan (SLP) obligations while delivering virtually nothing to the community of Magojaneng:

- ▶ The promised bulk water project remains undelivered, with no signs of construction or consultation.
- ▶ The road development, while partially paved, serves mine logistics and bypasses the needs of local residents.
- ▶ The training centre, intended for community skills development, was never operationalised and remains closed to locals.

Despite these glaring failures, no regulatory action has been taken. No penalties issued. No compliance audits conducted. The Department of Mineral and Petroleum Resources (DMPR) has remained silent—not due to oversight, but due to complicity enabled by political entanglement.

This case illustrates one of the most egregious forms of what MACUA and WAMUA have termed “**Crumbs Capture**”—where even the minimal crumbs of development funding meant for poor communities are looted not only by corporations, but by the political elite who claim to represent them. This is not just development fraud; it is “benevolent capture” masquerading as social investment.

Worse still, this political-corporate nexus neutralises any accountability mechanisms:

- Communities cannot seek redress when the mining company is effectively the same entity as the political power structure they must petition.
- Regulatory institutions are paralysed, unable to act without threatening the financial interests of their political principals.
- Parliamentary oversight collapses, as members of the same ruling party own stakes in the companies they are meant to hold accountable.

In this light, the Just Transition becomes not only a broken promise—but a false narrative deliberately weaponised to greenwash elite enrichment. When the state becomes a shareholder in extraction, it is no longer a regulator—it is a partner in dispossession.

CRIMINALISING SURVIVAL, PROSECUTING RESISTANCE – WHILE THE RICH LOOT WITH IMPUNITY.

The findings of this report must be understood in the broader context of state violence, legal intimidation, and economic exclusion.

While over R284 million in legally obligated SLP development funds remain unaccounted for across just 11 communities, the South African state continues to divert its law enforcement power toward militarising and criminalising poverty instead of prosecuting white-collar crime.

Under Operation Vala Umgodi, the government has launched a nationwide campaign to arrest and demonise artisanal and small-scale miners, branding them “economic saboteurs” and “criminals.” While there are undoubtedly those who extract a different form of exploitation from the labour of marginalised informal workers and who should be prosecuted, the targeted victims of the state’s actions, are not so much the cartel owners, but rather the victims are almost always the poor working men and women who seek to find ways to earn a living and provide for their families, operating in areas devastated by the very mining companies that now benefit from state protection. Their so-called “crime” is survival in a system that has abandoned them.

Yet when corporate mining houses falsify SLP reports, misappropriate millions, and submit ghost infrastructure claims to Parliament, the response is institutional silence.

No raids. No arrests. No high-level investigations.

Instead, when communities dare to raise their voices—to protest broken promises, demand basic services, or resist unlawful mining activities on their land—they are met not with dialogue, but with state violence and private litigation:

- ▶ Police brutality is routinely deployed to suppress community protests. In multiple sites documented by MACUA & WAMUA, including Stilfontein and Marikana, peaceful demonstrations were met with rubber bullets, tear gas, arrests and even death.
- ▶ Mining companies use their profits—the very profits derived from unfulfilled community obligations—to fund SLAPP suits (Strategic Litigation Against Public Participation), gagging activists and seeking interdicts against poor communities simply for organising

The result is a suffocating legal and policing apparatus designed to silence dissent, shield elite interests, and criminalise the poor.

This is not just a regulatory failure. It is a form of institutional and structural warfare against the marginalised, where the state, judiciary, and private sector collude to preserve extraction without redistribution.

It is not that the law is absent—it is that it is deployed with precision: to protect capital and punish poverty.

The scale of injustice revealed in this report is staggering—and morally indefensible. Across the 11 audited mining operations, companies generated an estimated **R72.23 billion in profits**, yet only **R92.3 million** was delivered in actual, verifiable Social and Labour Plan (SLP) benefit to communities.

And yet, it is not the looters who face prosecution. It is the poor who are policed. It is the hungry who are raided. It is the communities who protest their exclusion that are met with interdicts and SLAPP suits funded by the very billions stolen in their name

This is the Crumbs Capture Economy in full view. A system where even the smallest entitlements promised to the poor are stolen, and where those who resist their own exclusion are punished for doing so.

If the Just Energy Transition proceeds under these conditions—where impunity is rewarded, dissent is criminalised, and participation is performative, it will not be just. It will be a new chapter of green colonialism, built on stolen land, stolen labour, and now, stolen development.

CONCLUSION:

This report lays bare a national crisis of developmental justice. What it exposes is not just delivery failure, but prima facie evidence of systemic corruption, regulatory complicity, and elite theft—a pattern MACUA & WAMUA define as **Crumbs Capture**: *the morally indefensible plunder of the small, legally mandated crumbs meant for impoverished mining-affected communities.*

Across just 11 mining sites, an estimated **R284 million** in Social and Labour Plan (SLP) funds remains unaccounted for. Meanwhile, only **21.5%** of the committed value translated into real community benefit. These are not isolated discrepancies; they are statistical proof of a **False Benevolence Economy**—a system in which corporate compliance is staged for public consumption, while poverty, dispossession, and broken infrastructure remain the lived reality of affected communities.

What deepens this injustice is the scale of wealth accumulation by mining companies, some of whom reported combined revenues exceeding **R218.8 billion** with estimated profits of over **R72.23 billion** across the same audit sample. Yet from this, only **R92.25 million** in SLP value reached communities—a fraction so small it barely registers when measured against the industry's windfall gains.

This is not underperformance. It is structural theft. And it is made possible by a regulatory environment designed to protect capital, not communities. The Department of Mineral and Petroleum Resources (DMPR) remains a passive conduit for company self-reporting. Parliament, through its Portfolio Committee on Mineral Resources, has refused to investigate or act on MACUA & WAMUA's repeated submissions, audit findings, and formal ethics complaints. Law enforcement authorities, including the Hawks, continue to ignore widespread corporate malfeasance—even as the state deploys heavy-handed policing through operations like Vala Umgodi to criminalise impoverished artisanal miners and suppress community dissent.

This contrast is stark. Poor communities are met with arrests, rubber bullets, and SLAPP suits when they protest non-delivery. Corporations, by contrast, are rewarded with regulatory silence and multi-billion-rand profits.

Unless this system is dismantled, the so-called Just Energy Transition will simply become a new front for exploitation—painted green, but fuelled by the same violence, inequality, and exclusion that has defined South Africa's extractive economy for more than a century.

A new path is urgent. It requires:

- 1 Independent and well-resourced compliance bodies with power to audit, sanction, and prosecute;
- 2 Criminal investigations into misappropriated SLP funds, especially where delivery has been falsified;
- 3 Mandatory public access to all mining rights, SLP documents, and enforcement reports;
- 4 Legally enforceable community representation in all planning, implementation, and oversight structures;
- 5 And the full realisation of Free, Prior, and Informed Consent (FPIC) as a constitutional and moral imperative.

Communities must no longer be treated as passive recipients or obstacles to mining—they are co-governors of the land, the minerals, and the future.

We cannot build a sustainable society on a foundation of Crumbs Capture. Nor can we achieve climate justice through a process that replicates the very injustices it claims to undo.

The findings of this report are not just a call to reform. They are a call to justice. A call to reclaim what has been stolen. A call to act—decisively, immediately, and together.

ABOUT THIS REPORT

As global demand for critical minerals intensifies under the banner of the Just Energy Transition, South Africa has re-emerged as a key node in international supply chains for platinum group metals (PGMs), manganese, copper, chrome, vanadium, and other minerals essential to renewable technologies, battery storage, electric vehicles, and hydrogen production.

But beneath the glossy promises of “green growth” and sustainability lies a brutal continuity: for mining-affected communities—especially women and the rural poor—the transition is not delivering justice. It is accelerating injustice. These communities remain locked in deepening cycles of poverty, land dispossession, environmental harm, and political exclusion, even as mining companies generate billions in revenue and rebrand extractivism as “developmental.”

This report offers a community-led counter-narrative. Grounded in **eleven detailed social audits** conducted by MACUA and WAMUA, it provides empirical evidence from Mononono, Sandfontein, Meloding, MNS, Phola, Pullens Hope, Phalaborwa, Ikemeleng, Rabokala, Newcastle/Dannhauser, and Magojaneng—uncovering the systemic failure of Social and Labour Plans (SLPs), which are legally mandated mechanisms meant to deliver local development in exchange for mineral extraction rights.

While renewable energy is marketed as a break from the injustices of the fossil fuel era, this report shows that the material production of “green” technologies is driven by the same **exploitative logic**: profits flow upwards to elite corporate and political actors, while communities are left with **toxic dust, broken infrastructure, and stolen promises**.

Key findings include:

- ▶ **Average SLP Completion Score** across the 11 communities is just **23.25%**, with most projects partially delivered, incomplete, or abandoned.
- ▶ **Average Community Value Score** is only **21.5%**, reflecting how little tangible benefit reaches the people most affected.
- ▶ In **Mononono (10% completion, 5% value)**, **Meloding (10% completion, 7% value)**, and **MNS (0% implementation)**, auditors found virtually no delivery of promised projects.
- ▶ Of the **R376.25 million** in Social and Labour Plan (SLP) funds committed across the 11 audited sites,
- ▶ Only **R92.25 million** in tangible value was delivered to communities.
- ▶ The remaining **R284 million** is either unaccounted for, misrepresented, or effectively lost within a system defined by false reporting, elite collusion, and regulatory abandonment.

These are not mere bureaucratic oversights—they are symptoms of what MACUA and WAMUA now identify as **Crumbs Capture**: the systematic looting of even the minimal crumbs meant for the poor, in the name of development. It is **Development Fraud** operating under a veneer of corporate social responsibility. And it is maintained through a **False Benevolence Economy**—a system in which mining companies perform compliance theatrics while continuing to entrench inequality and profit from impunity.

The audits reveal that:

- ▶ **SLP projects** are frequently incomplete, irrelevant, or entirely missing;
- ▶ **Only 13.1% of community members** had ever seen an SLP; **97.4%** had no understanding of its contents;
- ▶ The **Department of Mineral and Petroleum Resources (DMPR)** continues to rely exclusively on **self-reporting by mining companies**, even when these claims are demonstrably false;
- ▶ **Parliament**, specifically the **Portfolio Committee on Mineral Resources**, has failed to act on repeated submissions, choosing instead to shield the DMPR from accountability;
- ▶ And **law enforcement bodies**, including the Hawks, have not investigated any cases of corporate misappropriation—despite growing evidence of possible fraud.

This is not just a failure of compliance—it is a **systemic betrayal of the constitutional promise of redress**. It is a regulatory system that enables corporate deceit while deploying police to repress the poor. **Operation Vala Umgodi**, which targets artisanal miners, and the increasing use of **SLAPP suits** against protesting communities, illustrate the violence of a system rigged against the marginalised in favour of the already wealthy.

In contrast, the **community-driven audit methodology** of MACUA & WAMUA offers a radically democratic alternative—based on participatory evidence gathering, grassroots accountability, and the lived expertise of those most affected by extraction. These audits are not just research—they are resistance.

This report systematically assesses:

- ▶ Legal compliance with the **MPRDA** and **2020 SLP Regulations**;
- ▶ The exclusion of **women, youth, and community members** from decision-making processes;
- ▶ The disparity between **committed funds and actual delivery**;
- ▶ The socio-environmental costs of the mineral rush driving the Just Energy Transition.

What emerges from this social audit report which includes the politically sensitive site of Magojaneng—is a sobering truth: unless the governance of South Africa’s mineral wealth is radically transformed, the Just Transition will be neither just nor a transition.

It will instead become a new chapter in the country’s long history of dispossession—this time painted green and marketed as progress.

The inclusion of Magojaneng, where United Manganese of Kalahari (UMK)—a company co-owned by the ANC’s investment arm—failed to account for over R172 million in SLP commitments, underscores the political depth of the crisis.

The findings confirm not only regulatory collapse but a structurally rigged system in which even the crumbs promised to poor, Black communities are captured by elites through opaque deals, ghost projects, and fraudulent reporting.

This report therefore calls not just for reform, but for justice. Specifically, we demand:

- ▶ **Criminal investigations** into the estimated R284 million in missing or misrepresented SLP funds;
- ▶ **Mandatory public disclosure** of all mining rights, contracts, and SLP obligations in accessible formats and languages;
- ▶ **Independent verification mechanisms** for all company-reported development outcomes;
- ▶ **Enforceable community co-governance**, with decision-making power over local development priorities;
- ▶ And the **implementation of Free, Prior, and Informed Consent (FPIC)** as a binding legal requirement—not a checkbox.

Only through these measures can South Africa begin to close the gap between constitutional promises and lived realities—and build a Just Transition that truly delivers justice.

Until these reforms are enacted, the Just Transition will remain a **dangerous myth**—and the green economy will become yet another mechanism for the theft of what little was left for the poor.

“

Mining companies in South Africa leverage PR campaigns to mask gaps in their social commitments. Community-led social audits cut through the gloss, exposing unfulfilled promises and holding mining companies accountable to the communities they impact.



WHAT IS A SOCIAL AUDIT & SOCIAL AND LABOUR PLAN

SLP OR SOCIAL AND LABOUR PLAN

An SLP is a document that mining companies are required to submit to the Department of Mineral and Petroleum Resources (“DMPR”) as part of their application for a mining right. It contains commitments made by the company on what it will do for the development of both communities and workers in which it operates.³ Also, stipulating how such commitments will be executed in line with the agreed time limits and budget allocations.

Section 2(d) of the Mineral and Petroleum Resources Development Act⁴ further states that its objectives are to ‘substantially and meaningfully expand opportunities for historically disadvantaged persons, including women, to enter the mining and petroleum industries and to benefit from the exploration of the nation’s mineral and petroleum resources’⁵. This emphasises the role of mineral resource extraction and operations as a pivotal means towards community development and women empowerment. SLPs, upon DMPR’s approval, serve as a legally binding document that is used to ensure that mineral and petroleum exploration benefits communities.

A social and labour plan is a document that mining companies are required to submit as part of their application to the Department of Mineral and Petroleum Resources (“DMPR”) for a mining right. It forms part of their social licence to operate, containing commitments made by the company on what projects it intends to implement on behalf of both communities and workers, in the communities in which the mine operates.

A social and labour plan is typically divided into 5 sections inclusive of an introduction, human resource development section, local economic development section, management of downscaling and retrenchments section, and finally the financial provisions for the social and labour plan. Upon approval by the DMPR, SLPs become legally binding documents.

SLPs are valid for a period of five (5) years, in which they need to be implemented. Often getting reviewed on an annual basis. In the fourth year of the SLP cycle, the responsible mine must then ensure that they begin with their consultations for their new SLP so that there aren’t delays in approval and implementation.

3 28 of 2002.

4 28 of 2002.

5 Mineral and Petroleum Resources Development Act 28 of 2002.

SOCIAL AUDIT

A social audit is a systematic assessment of the social, ethical, environmental, and economic performance of an organisation. It's a community led process whereby the cogency of promises made by institutions or companies is tested. Through this process community members actively participate in assessing and evaluating aspects of their social wellbeing related to the promises made by institutions or companies. During a social audit process, members of the community study documents and compare them to their experiences of services delivery, furthermore physical inspections can be conducted to solidify the veracity of their claims.

The mining industry is not known by communities surrounding mining operations, for its transparency and commitment to ensuring sustainable benefits accrue to communities. Hence, the essential elements of a social audit require that community members determine whether the expenditure and delivery outcomes reported by the mine truly reflect the projects that appear in their communities. Members of the community collectively participate and reflect in a process of verifying the realities on the ground and the experiences of the community.⁶

Evidence collected during the audit is reported to the responsible authorities at a public hearing. Community testimony, knowledge, and experience are a legitimate and central part of this evidence. Mine documents may include annual reports and reported expenditure, social and labour plans, environmental management programmes or other reports, policies, plans, or norms and standards.

In principle, SLPs should be drafted in consultation with communities, in order to ensure that the benefits accruing to communities are meaningful and useful for those communities, however, that is not always the case.

In terms of Regulation 45, a mining right holder must convene a minimum of three meetings per annum with mining affected communities, as well as interested and affected persons to update

⁶ <https://socialaudits.org.za/wp-content/uploads/2018/07/social-audit-pocket-guide-epdf-english.pdf>

these stakeholders about the progress made with the implementation of the approved SLP and the outcome of these meetings must form part of the annual reports.⁷ Despite the comprehensive and progressive laws in place, the reality is that although the SLP system has been in force for over 12 years, most communities affected by mining still experience abject poverty and underdevelopment due to a lack of implementation of the SLPs.

A social audit provides a way to build effective and meaningful public participation in communities by providing a means for the community to engage with processes that affect their lives. Social audits empower communities to identify gaps, gather legitimate evidence of their experiences, improve transparency, and through this process enables them to claim and realise their constitutional rights to democratic participation and accountability.

MACUA relied on the social and labour plans (“SLP”) of various mining companies as the foundational document that would be audited to see if community perceptions of the mine’s expenditure and service delivery outcomes align with the company’s implementation vision.

⁷ 28 of 2002.





METHODOLOGY

MACUA (Mining Affected Communities United in Action), WAMUA (Women Affected by Mining United in Action), and YAMUA (Mining Affected Communities United in Action) conducted 11 social audits of the Social Labour Plans of different mining companies in various affected communities across South Africa.

COMMUNITY	MINE AUDITED	COMMODITY
Brits, Rabokala Community (North West)	Bushveld Vametco	Vanadium, Iron ore and Titanium Vanadium
Dannhauser and New Castle (Kwa-Zulu Natal)	Ikwezi Mining	Coal
Pullens Hope (Mpumalanga)	Tumelo Mine	Coal
Phalaborwa (Limpopo)	Phalabora Mining Company	Copper
Phola (Mpumalanga)	Seriti Resources Klipspruit Colliery	Coal
Mononono (North West)	Lentswe Tshipi (Pty) Ltd	Coal
Meloding (Free State)	Tetra4	Helium and natural gas
Sandfontein (North West)	Siyanda Bakgatla Platinum Mine	Chromium, Rhodium, Palladium and Platinum
Magojaneng (Northern Cape)	United Manganese Khalahari & South 32	Manganese
Kroondal (North West)	Glencore Waterval Mine	Chrome, Rhodium, Platinum, and Palladium.
MNS (North West)	Bushveld Vanchem (note: Bushveld Vanchem is a processing plant and therefore does not have an SLP. A baseline social audit on human rights abuses was conducted in MNS)	Vanadium

These social audits, inclusive of physical inspections, were conducted between the years 2022 and 2024. The methodology employed in these social audits was primarily qualitative in nature, with a focus on gathering in-depth, contextual data on the social performance of the mining company. This approach was chosen to ensure that the voices and experiences of local community members were captured and incorporated into the audit findings. By using interviews, focus group discussions, and observational methods, the audit team was able to gather rich, qualitative data that provided a nuanced understanding of the company's social impacts.

The qualitative methodology used in this audit was characterised by a high degree of community engagement and participation. Community members were involved in all stages of the audit process, from the initial planning and design phase to the data collection and analysis phase. This participatory approach ensured that the audit findings were accurate, reliable, and responsive to community needs and concerns. By prioritising community engagement and participation, the audit team was able to build trust and credibility with local stakeholders, which is essential for effective social auditing.

While the methodology used in this audit was primarily qualitative, some quantitative elements were also incorporated to provide a more comprehensive understanding of the company's social performance. For example, questionnaires were used to collect data on community members' perceptions and experiences, which were then analysed to identify patterns and trends. Nevertheless, the quantitative data collected was secondary to the qualitative data, which provided the richness and depth needed to understand the complex social issues surrounding the mining company's operations.

The findings of this audit provide a valuable insight into the social impacts of the mining company's operations and identify areas for improvement to ensure that the company's activities are more responsible and sustainable.

The first step in the social audit methodology involves a thorough review of the company's SLP, annual reports, and other publicly available documents. In this regard, the paralegal team of MACUA and WAMUA Advice office also referred to as (MWAO) herein, assisted in obtaining the SLP of each audited mine and drafted summaries to make it easier for communities to read and understand them. This was done to establish a baseline understanding of the company's stated social commitments and performance indicators. Following that, social audits were carried out over a period of four days in each of the designated areas.

DAY 1

On the first day, the community was introduced to the concept of a social audit, its significance, and the steps involved in the process. The session also covered the basics of a social and labour plan. To ensure the community's understanding, they were asked to summarise the key points and participate in a discussion on the accessibility of the original document. This introductory session aimed to empower the community with a thorough understanding of the social audit process.

DAY 2

On the second day of the programme, the core group, which is a combination of the MWAO team and the community members in attendance, went through the social and labour plan summary in



its entirety. They then broke into groups to discuss and select a specific Local Economic Development (LED) project, using the full SLP document. This exercise aimed to scrutinise the commitment as a group through developing of specific questions for each project identified. A brief overview of the identified projects ensured everyone understood what an SLP entails and the specific projects in question.

After choosing which projects the core group would focus on, they drafted a list of questions to finalise the questionnaires. These questionnaires were developed and tested through interviews with community members from respective areas to solicit their views on SLP projects, women's exclusion in mining communities, skills development, job opportunities, and SLP consultations. All questions were read out to the core group for awareness, comment, addition, or subtraction as necessary. The team was then trained on the importance of the door-to-door process, including how to conduct respectful interviews, ensure safety, obtain necessary permissions, and avoid dangerous situations. By employing this rigorous social audit methodology, the teams ensured the integrity and reliability of the data collected, providing a foundation for meaningful community-led accountability and advocacy.

DAY 3

Building on the previous days' work, stakeholder engagement became a crucial next step, involving interviews with local communities, and civil society organisations to gather insights into their experiences and perceptions regarding the company's social performance. Which is why on the third day of the program, the team focused on the door-to-door process which is a critical component of the social audit methodology.

This process involved conducting in-depth interviews with community members using the questionnaires developed on the previous day. By engaging with stakeholders in their own homes, the audit team fostered an environment of trust and openness, allowing community members to share their genuine concerns and experiences. This door-to-door approach enabled the team to gather accurate, first-hand data, providing a reliable foundation for the social audit's findings and recommendations.

After collecting this data, analysis followed to evaluate compliance with SLP commitments. This analysis incorporated various performance indicators, such as employment rates, community project success, infrastructure development, socio economic status of communities, inclusivity in decision making processes etc. By evaluating these indicators, auditors are able to provide a comprehensive overview of how well mining companies are fulfilling their commitments to local communities and environmental stewardship.

DAY 4

On the final day of the program, the social audit team synthesised the data collected during the door-to-door interviews, distilling the key findings and trends from the questionnaires. This comprehensive review provided a nuanced understanding of the community's perceptions and experiences regarding the projects outlined in the social and labour plan. Building on this analysis, the community developed a strategic plan for post-social audit activities, including a broad-based awareness campaign to educate community members about the SLP, its commitments, and the implications for local development. This forward-looking approach ensured that the social audit's findings would be leveraged to drive meaningful change and advocacy in the community.

DATA REVIEW

Upon conclusion of the 4-day program, the paralegal team of MWAO embarked on a critical next step which was compiling preliminary reports based on the key findings of each social audit. This involved carefully reviewing the data collected during the door-to-door interviews and distilling it into a clear, accessible report. By simplifying the data, the team enabled community members to easily understand the findings, empowering them to evaluate and monitor the mining companies' compliance with the SLP. This transparent and inclusive approach ensures that communities are equipped to hold mining companies accountable for their commitments, ultimately promoting more effective governance, transparency and advocacy.

The compilation of clear and accessible reports plays a crucial role in social audits, as it facilitates community-led monitoring and evaluation of mining companies' compliance with the SLP. This, in turn, enables communities to make informed decisions, engage in meaningful dialogue with mining companies, and advocate for their rights and interests.

PRELIMINARY REPORT CIRCULATION

Following the completion of the preliminary reports, the paralegal team embarked on a critical outreach phase, sharing each report with the respective community. This targeted dissemination was a deliberate step towards preparing for the "Verification Workshop", a crucial aspect where community members would gather to scrutinise, validate, and provide additional insights on the report's findings.

By sharing the reports with the community, the team ensured that community members were well-informed and empowered to engage meaningfully in the verification process, thereby reinforcing the inclusive and participatory spirit of the social audit.

This community-centred approach built on the foundation established during the 4-day program, where the social audit team engaged with community members through door-to-door interviews and gathered valuable insights on their experiences and perceptions. The sharing of preliminary reports and the subsequent verification workshop demonstrate the team's commitment to transparency, accountability, and community-led monitoring, ultimately ensuring that the social audit's findings are accurate, reliable, and responsive to community needs.

The Verification Workshops provided a comprehensive and interactive platform for stakeholders to review and validate the preliminary report of a recent social audit. The workshops began with an introduction and overview of the audit's purpose, methodology, and key findings.

PHYSICAL VERIFICATION

Participants then engaged in a presentation and discussion on the preliminary report, followed by group formation to work on specific tasks and activities. In the afternoon, the workshops focused on the physical verification of the audited projects, where participants conducted on-site assessments to validate the findings. This hands-on approach enabled participants to gather firsthand evidence, clarify discrepancies, and gain a deeper understanding of the projects' implementation.

MULTI STAKEHOLDER ENGAGEMENT

Following the physical verification, participants developed questions for stakeholders and duty bearers, discussed the importance of photography as evidence, and practiced reporting back their findings. Throughout the workshops, participants had opportunities to ask questions, engage in discussions, and collaboratively work towards verifying the audit's findings.

The Verification Workshops' focus on the physical verification of the audited projects underscores the importance of firsthand observations in social audits. Physical observations, as a crucial aspect of the audit process, enabled the social audit team to witness operations directly and assess the tangible social impacts of mining activities and gathering more insights into the company's social performance.

MASS MEETING

The social audit team's steadfast commitment to transparency and inclusivity led to the organising of community mass meetings in each area where the audit was conducted. These inclusive gatherings served as a vital platform for marginalised

and affected communities to contribute their unique perspectives, experiences, and concerns, ensuring that their voices were heard and valued. By actively engaging with community members and incorporating their feedback, the team guaranteed that the audit findings accurately reflected the community's needs, challenges, and aspirations.

It is also key to note that engaging stakeholders not only enriches the audit process but also empowers communities by giving them a voice in matters that affect their livelihoods. This participatory approach not only enhances the credibility and acceptance of the report but also fosters a sense of ownership and empowerment among community members. Furthermore, the team's willingness to share and discuss action plans with the communities outlined a collective way forward, promoting collaborative problem-solving and mobilisation. As a result, communities were equipped to take an active role in driving positive change, promoting organic campaigns, advocating for their rights and interests, and holding stakeholders accountable for their actions.

CRITICAL ANALYSIS

Following the completion of the verification process, the individual social audit reports were then analysed to identify patterns and trends, which were subsequently categorised into thematic groups. This approach enabled the research team to identify common challenges faced by the communities where social audits were conducted. The thematic groups that emerged from the analysis include lack of consultation, lack of employment opportunities, lack of access to clean water, and women in mining-affected communities all in relation to SLP project implementation.

The individual social audit reports served as the foundation for the drafting of this consolidated report. The consolidated report provides a comprehensive analysis of the findings from the individual reports, highlighting the common challenges and themes that emerged across the different communities. By using this methodology, the research team was able to identify key areas of concern.

The use of a participatory research methodology was critical in this study, as it enabled the research team to engage with local communities, gather data that was relevant and meaningful to their experiences. This approach also ensured that the voices and perspectives of community members were amplified and considered. By prioritising community participation and engagement, the research team was able to gather rich, qualitative data that provided a nuanced understanding of the social impacts of mining activities in the various communities where social audits were conducted.

Participatory research has proven to be a powerful tool for empowering affected communities, as it enables them to take an active role in identifying, analysing, and addressing the issues that affect their lives. By involving community members in all stages of the research process, participatory research helps to build their capacity, confidence, and skills, allowing them to become agents of change. For example, in the context of the social audit conducted in this instance, community members were trained to conduct interviews, collect data, and analyse findings, which enabled them to develop a deeper understanding of the mining company's social impacts and to identify strategies for advocating for their rights.

The empowering effects of participatory research can also contribute to movement building, as community members become more aware of their collective power and more confident in their ability to bring about change. By providing a platform for community members to share their experiences, concerns, and aspirations, participatory research can help to build solidarity and foster a sense of collective identity among community members.

The findings of this audit provide a valuable insight into the social impacts of the mining company's operations and identify areas for improvement to ensure that the company's activities are more responsible and sustainable. Through a rigorous and participatory research methodology, this study has highlighted the importance of community-led monitoring and evaluation of mining companies' compliance with their social and labour plans (SLPs). The findings of this report underscore the need for mining companies to prioritise community engagement, transparency, and accountability in their operations. Ultimately, this research demonstrates the transformative power of participatory research in empowering affected communities and driving social change. By amplifying marginalised voices and fostering a sense of collective agency, this study has contributed to the emergence of a movement that demands justice, equality, and sustainable development for mining-affected communities.



FINDINGS

The social audits conducted across eleven mining-affected communities reveal a deeply entrenched and systemic crisis in the governance of South Africa’s mining sector. Rather than upholding the transformative aims of the **Mineral and Petroleum Resources Development Act (MPRDA)**, the implementation of **Social and Labour Plans (SLPs)** has become a façade—one that conceals exclusion, mismanagement, and what MACUA and WAMUA now frame as “**Crumbs Capture**”: the theft of even the bare minimum promised to poor communities under the guise of legal compliance.

Across all sites, mining companies routinely failed to fulfil their developmental obligations to historically disadvantaged communities. These failures are not isolated incidents—they are **predictable outcomes** of a captured and crumbling regulatory regime.

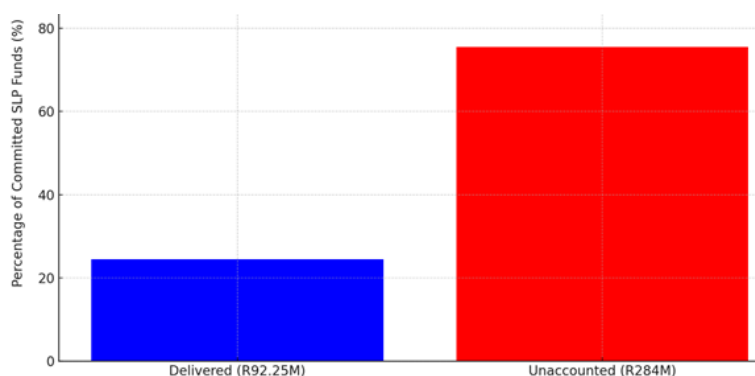
Instead of delivering schools, clinics, roads, and clean water, companies inflate their compliance claims in reports to the Department of Mineral and Petroleum Resources (DMPR) and to Parliament, while communities are left with empty fields, abandoned construction sites, or low-quality structures.

In some cases, as in **Bushveld Vametco**, the company is currently undergoing liquidation—yet over **R9 million in SLP funds remain unaccounted for**, and not a single functional project was found on site. This situation highlights the dangers of weak enforcement, delayed action, and the absence of financial guarantees to protect community interests when companies collapse or flee their obligations.

Meanwhile, the companies audited in this report collectively generated an estimated **R218.8 billion** in turnover, with conservative profit estimates of **R72.23 billion**—figures derived from publicly available financial data and industry-standard margins.

Yet despite this immense wealth, only **R92.25 million** in tangible, verifiable community development was delivered—a mere **24.5%** of the **R376.25 million** committed through legally binding Social and Labour Plans (SLPs). This is not a minor gap in service delivery—it is a **national moral and developmental scandal**.

SLP Funds Delivered vs Unaccounted (Total Committed R376.25M)



What these numbers reveal is not just neglect, but **deliberate dispossession**: a **False Benevolence Economy** in which development promises are used to mask looting, and where companies spend more on corporate social responsibility brochures than on clinics, schools, or safe water.

KEY THEMATIC FAILURES INCLUDE:

LACK OF CONSULTATION

In the majority of cases, communities had no say in the identification or design of SLP projects.

Traditional authorities often signed off without democratic mandate, while women, youth, and informal settlement residents were systematically excluded from consultation processes.

UNMET EMPLOYMENT COMMITMENTS

Promised job creation was hollow. Youth centres were built without programs, skills development plans were abandoned, and local employment quotas were bypassed through subcontractor networks that often excluded community residents entirely.

WATER AND INFRASTRUCTURE FAILURES

Despite urgent community needs, water infrastructure was frequently deprioritised or abandoned.

In places like MNS and Mononono, communities face daily hardship fetching unsafe water, while companies operate with impunity.

GENDERED EXCLUSION AND HARM

Across all audited communities, women bore the heaviest burdens of mining-induced poverty, environmental degradation, and failed development.

They were absent from consultation, excluded from job opportunities, and left to manage the fallout of extractivism without support or recognition.

EMERGING AND CROSS-CUTTING THEMES:

SYSTEMIC NON-COMPLIANCE:

The average SLP project completion rate across all 11 sites was just 24.9%, with several communities—like MNS—reporting 0% delivery.

This is not poor project management—it is institutionalised failure

REGULATORY COLLAPSE AND COMPLICITY

The Department of Mineral and Petroleum Resources (DMPR) continues to rely entirely on unverified self-reporting by mining companies, despite overwhelming evidence of misreporting, ghost projects, and fabricated claims. It has ignored multiple audit submissions and community complaints without investigation.

FINANCIAL OPACITY AND UNACCOUNTABILITY

Of the R376.25 million in SLP funds committed across the 11 sites, **R284 million remains unaccounted for.**

In many cases, projects that were reported as “complete” were either non-existent, locked, or dysfunctional. Procurement records were missing, and no transparent systems exist to trace where funds went.

EROSION OF TRUST, AND THE WEAPONISATION OF THE LAW

Communities increasingly view both the state and corporate actors as colluding in a system designed to protect elite profits and suppress dissent.

When residents protest broken promises, they are met with interdicts, police violence, and SLAPP suits. Meanwhile, corporate misappropriation of millions in development funds continues unchecked and unprosecuted.

In totality, these findings reveal not only a collapse in developmental accountability—but a coordinated system of “**Crumbs Capture**”: the theft of even the scraps legally designated for the poor. It is a form of elite capture dressed in the language of transformation, and unless disrupted, it will define the so-called Just Transition not by what it delivers, but by what it denies.

These findings paint a picture not just of non-compliance but of **structural abandonment and institutional complicity**. The MPRDA’s developmental promises have been hollowed out. What remains is a **False Benevolence Economy**, where compliance is simulated, poverty is exploited, and “green development” is leveraged to mask systemic injustice.

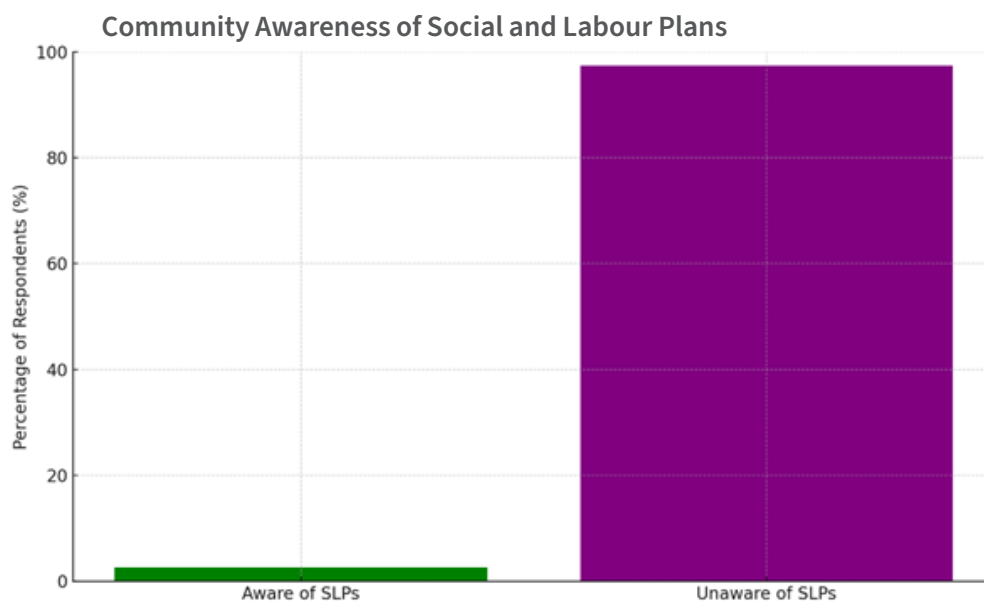
This audit cycle makes one thing clear: without **urgent, radical reform**—including **full criminal investigations, parliamentary inquiries, and the decentralisation of power to communities themselves**—South Africa’s Just Transition will simply be a **greenwashed continuation of extraction and exclusion**.

CONSULTATION

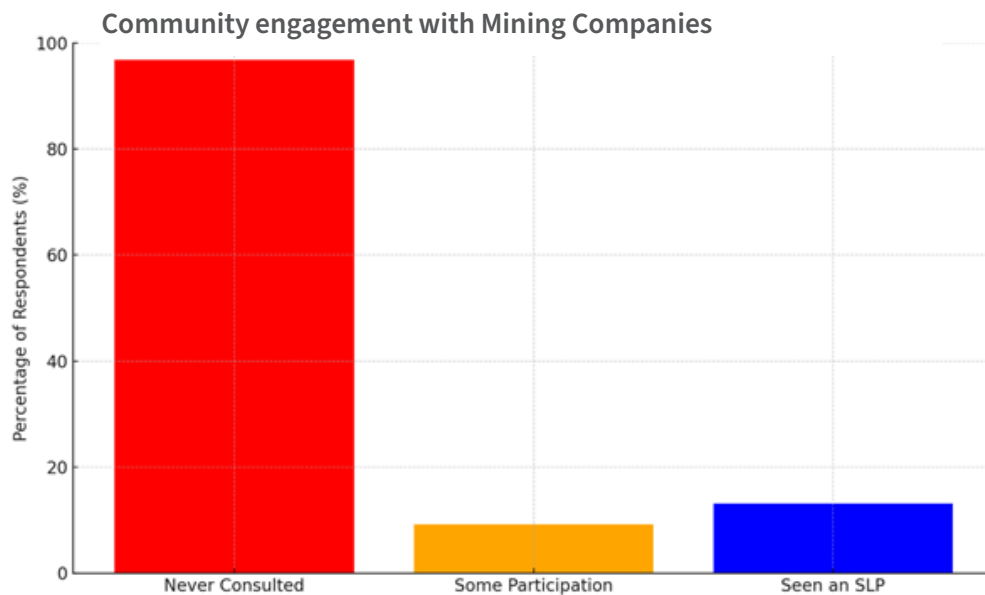
Consultation is not a box-ticking exercise. It is foundational to any vision of empowerment, especially in the context of the Just Transition.

Yet, across all audited communities, there is a glaring absence of genuine community engagement. Mining companies continue to ignore their duty under the MPRDA to undertake meaningful and inclusive public participation.

The data is staggering. Out of over 1,300 respondents, **1,258 (approximately 96.8%) indicated that they had never been consulted** by the mining companies operating in their communities. A mere **119 people (9.2%)** affirmed some form of participation, and only **170 people (13.1%)** had ever seen an SLP.



Moreover, a further **1,266 respondents (97.4%)**—the vast majority—stated they had no knowledge of what an SLP is. This reveals a systemic failure by mining companies to publicise their legally mandated obligations, a failure compounded by the DMPR’s lack of oversight.

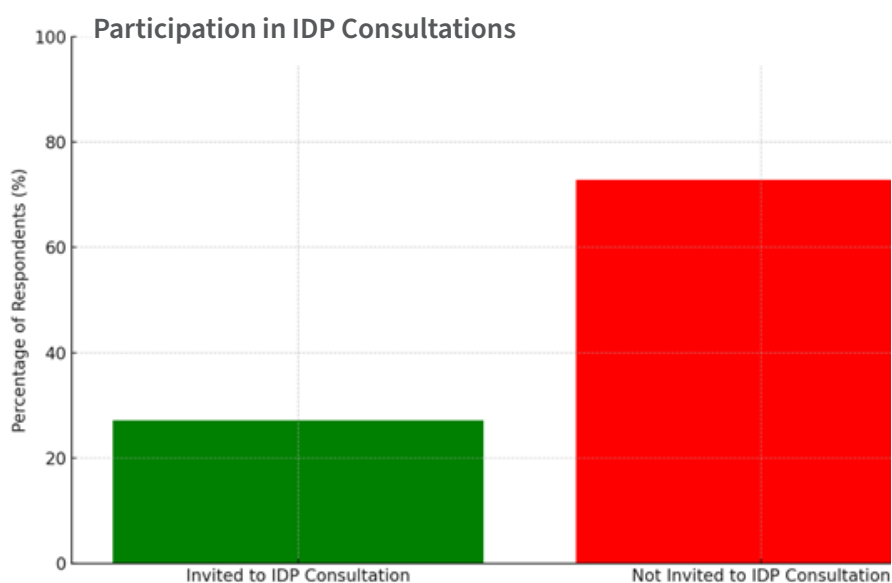


MACUA and WAMUA social audit teams encountered consistent resistance and opaqueness in attempting to access SLPs. Companies such as **Tumelo Mine, Ikwezi Mining, Glencore Waterval, and Bushveld Vametco** failed to provide their SLPs upon request, directly undermining the principle of transparency required under the MPRDA and its 2020 Regulations.

What's more, consultation structures—where they do exist—are often unmandated, unaccountable, and serve more as communication filters than representative forums.

These structures frequently lack Memorandums of Understanding and formal recognition from the wider community, resulting in exclusionary practices that further alienate residents from decision-making processes.

This exclusion extends beyond SLPs. In the context of Integrated Development Plans (IDPs)—meant to guide local government development strategies and align with SLPs—**947 respondents (72.8%) indicated they had never been invited to participate** in any IDP consultation.



This is particularly alarming given the stated alignment between SLPs and IDPs, which, in practice, causes confusion and weakens accountability structures. Communities often do not know whether the mining company or the municipality is responsible for implementation failures.

When asked about whether they had been consulted on any aspect of mining-related development in their communities, a recurring sentiment emerged: **“Decisions are made for us, not with us.”** This reflects the broader experience of disempowerment and disenfranchisement that defines the relationship between mining companies and affected communities today.

The Just Transition cannot be built on such exclusion. It demands more than decarbonisation—it demands **democratisation**. Genuine consultation must go beyond procedural compliance; it must be a space for communities to define their priorities, assert their rights, and shape their futures. Mining companies’ failure to uphold this standard not only violates the law—it perpetuates the very injustices the Just Transition is meant to undo.

The current model reinforces systemic poverty, fuels distrust and deepens the power imbalances that have historically defined South Africa’s extractive economy. Until affected communities are treated as legitimate co-decision-makers, the rhetoric of a Just Transition will remain hollow. Consultation must be transformed from a performative gesture into a cornerstone of participatory justice and accountability.

 No legal mechanism currently empowers communities to force compliance, contest false reporting, or demand financial transparency.

COMPLIANCE MONITORING AND REGULATION

The Department of Mineral and Petroleum Resources (DMPR), as the designated regulatory authority, carries a constitutional and legislative duty to monitor, enforce, and ensure compliance with the Mineral and Petroleum Resources Development Act (MPRDA). This includes verifying that mining companies deliver on their legally binding Social and Labour Plans (SLPs) and honour the rights and developmental needs of historically disadvantaged communities.

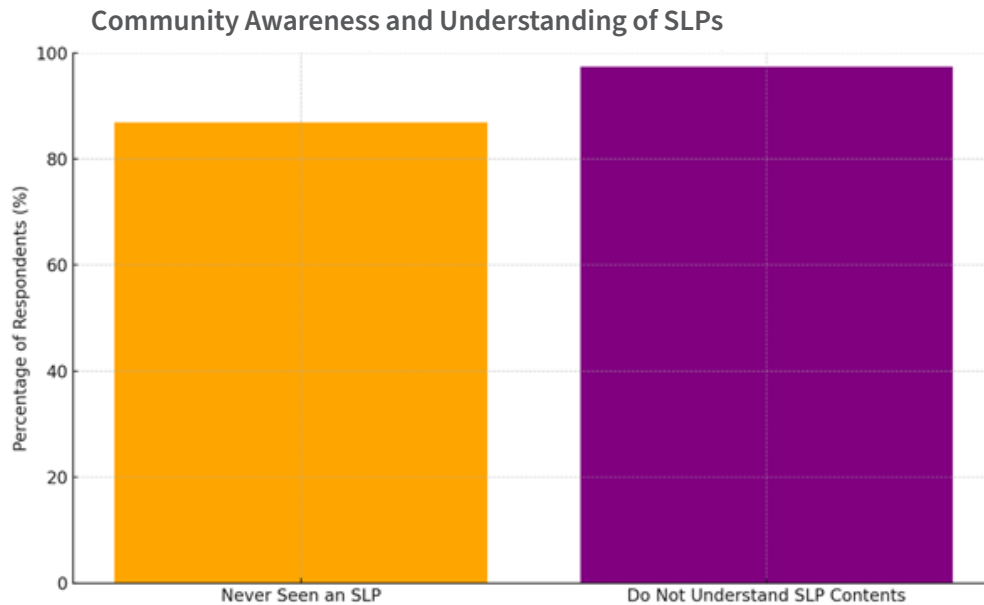
However, MACUA & WAMUA's audits reveal that **the DMPR has become a symbolic regulator—one that collects reports but does not enforce, reviews plans, but does not verify, and receives complaints, but does not act.**

Since the promulgation of the 2020 MPRDA Regulations, meaningful consultation and public participation have been formalised as legal requirements. Yet, across all audited communities, mining companies continue to violate these obligations with impunity. This is enabled by a compliance regime that lacks both political will and institutional capacity. The DMPR does not maintain a public SLP compliance database, does not conduct regular site inspections, and has never initiated a single formal penalty for false reporting or failure to deliver.

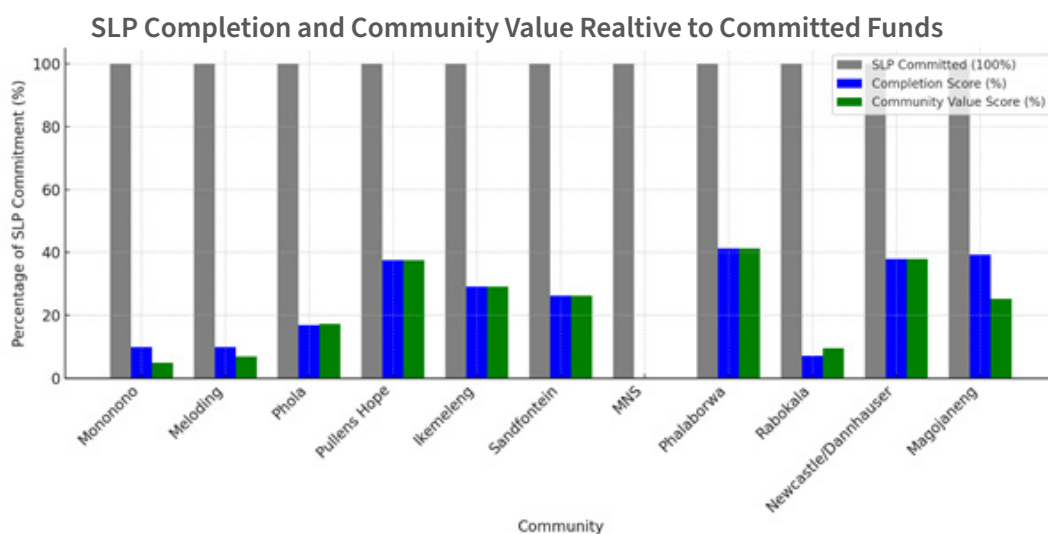
The audits found:

- ▶ Only 6 of the 11 companies (54.5%) had SLPs publicly available.
- ▶ Only 2 (18.2%) provided SLPs in a locally spoken language.
- ▶ Several companies—Glencore Waterval, Bushveld Vametco, Ikwezi, and Tumelo Mine—refused direct requests to share their SLPs, citing internal policy.

The consequences of this opacity are devastating. In almost all cases, communities had no knowledge of their SLP rights or entitlements. 86.9% of respondents had never seen an SLP, and 97.4% did not understand its contents. This failure in transparency is not incidental—it is systemic. Section 46 of the MPRDA requires disclosure and accessibility, yet DMPR does not monitor compliance with this obligation.



Instead of exercising independent oversight, the DMPR continues to rely almost entirely on self-reported data from mining companies to determine compliance with SLP obligations. This approach has proven dangerously flawed. As shown in the updated SLP Project Matrix across eleven audited sites, the **average project completion rate is just 23.25%**, while the **average community value score—a measure of actual local benefit—is only 21.5%**. These are not marginal deviations; they are empirical evidence of systemic false reporting, regulatory negligence, and the failure of oversight mechanisms designed to protect community interests.



Despite receiving copies of MACUA's findings in 2018 and again in 2022, the DMPR has failed to initiate any investigations or penalties. Parliament has similarly failed to act. A formal complaint lodged with the Parliamentary Ethics Committee in April 2025 against the Chairperson of the Portfolio Committee highlighted the extent of political gatekeeping and institutional evasion. This is not merely a compliance gap—it is a coordinated failure of state accountability.

No legal mechanism currently empowers communities to force compliance, contest false reporting, or demand financial transparency. There are no public registers of enforcement actions, no sanctions for misrepresentation, and no grievance pathways to compel redress.

What results is a system where poor, rural, and Black communities are held hostage by unaccountable corporate actors, shielded by state inaction.

Women in particular bear the brunt of this failure, excluded from consultation and denied promised infrastructure, employment, and safety nets. The regulatory ecosystem, instead of protecting communities, reinforces their marginalisation.

A Just Transition is impossible under this model. Without structural reform of the regulatory ecosystem—including the creation of an independent enforcement body and community-led oversight—**SLPs will continue to be ghost frameworks: present in law but absent in reality.**

NON-COMPLIANCE IN INFRASTRUCTURE DELIVERY

One of the most glaring and consistent issues revealed across the 11 audited mining-affected communities is the pervasive failure of mining companies to implement or complete infrastructure projects promised through their Social and Labour Plans (SLPs). These failures are not limited to bureaucratic delays or budget constraints—they reflect a systemic and deliberate pattern of abandonment, misrepresentation, and substandard delivery that borders on developmental fraud.

MACUA & WAMUA social audit teams documented multiple cases where mining companies publicly claimed successful project completion, only for community inspections to reveal empty lots, unfinished structures, or crumbling facilities. In Phola, for instance, the promised youth centre was budgeted, announced, and featured in compliance reports—but only a concrete foundation was visible at the site. In Ikemeleng, a clinic listed as delivered in corporate reports was non-operational, and residents continued travelling long distances for healthcare services.



In Sandfontein, residents pointed to the non-delivery of a community hall and an agricultural support centre, both marked as complete in SLP reports. In practice, audit interviews confirmed that construction never began. A similar pattern was seen in Brits (Rabokala), where a school refurbishment was implemented so poorly that the resulting structures were declared unsafe, raising critical concerns about contractor selection, procurement oversight, and financial accountability.

Across nearly all communities, auditors encountered glaring discrepancies between promised projects, reported achievements, and physical delivery. In some instances, basic materials were dumped and never installed; in others, sites were simply abandoned. These inconsistencies are not administrative oversights—they are strong indicators of deliberate misreporting, enabled by the absence of state monitoring, third-party verification, or community-led oversight.

The SLP Project Matrix quantifies the crisis:

- ▶ Only 23.25% of infrastructure projects across the 11 audited sites were completed to a satisfactory standard—indicating that fewer than one in four promised developments materialised in any meaningful way.
- ▶ The Community Value Score averaged just 21.5%, highlighting the minimal developmental benefit that actually accrued to communities despite millions being committed on paper.

What emerges is not simply underperformance, but a deeper pattern of extractive development—where mining companies inflate compliance reports to avoid accountability, while leaving communities with hollow shells of development.

Many sites lacked sustainability plans, community ownership mechanisms, or ongoing operational support. This leaves communities saddled with ghost infrastructure, exacerbating infrastructure poverty in already underserved areas.



The data also highlights a troubling and growing dependence on social grants as a primary income source... this model perpetuates a form of extractive welfare, where communities are not lifted out of poverty through wealth creation and reinvestment but are kept barely afloat through state subsidies.

EROSION OF TRUST

The cumulative effect of non-delivery, broken promises, and lack of accountability is a profound erosion of trust—between mining-affected communities, the state, and the private sector.

In Meloding, residents cited a promised borehole and Jojo tanks project that was used for media appearances and political announcements, only to vanish without trace after initial site assessments. “We feel like our suffering is used for paperwork,” one participant explained during the audit—a sentiment echoed in nearly every site.

In Pullens Hope, a road improvement project listed in the SLP was never implemented. Residents who raised concerns at local forums were ignored or redirected, and no mechanisms were available for follow-up or resolution. The result is widespread cynicism, disengagement, and, in some cases, threats of protest or unrest.

Community members repeatedly described a “tick-box” approach to compliance—where mining companies focus on optics rather than substance. SLPs are treated as paper exercises, used to satisfy regulatory requirements rather than respond to community needs. The DMPR, which should act as a safeguard, was almost universally described in audits as absent, inaccessible, or captured.

This breakdown in trust is not peripheral—it is central to the viability of any Just Transition framework.

If communities do not believe that infrastructure commitments will be honoured, there can be no foundation for sustainable, inclusive development.

To rebuild this trust, the following reforms are essential:

- ▶ Public, real-time disclosure of project implementation status;
- ▶ Community-led verification and third-party auditing of SLP delivery;
- ▶ Legal penalties for false reporting and deliberate non-compliance;
- ▶ Participatory co-design and co-management of infrastructure with affected communities.

Until these measures are implemented, the infrastructure promises of the Just Transition will remain unfulfilled—and communities will continue to pay the cost of corporate evasion and state neglect.

LACK OF OPPORTUNITIES IN MINING-AFFECTED COMMUNITIES

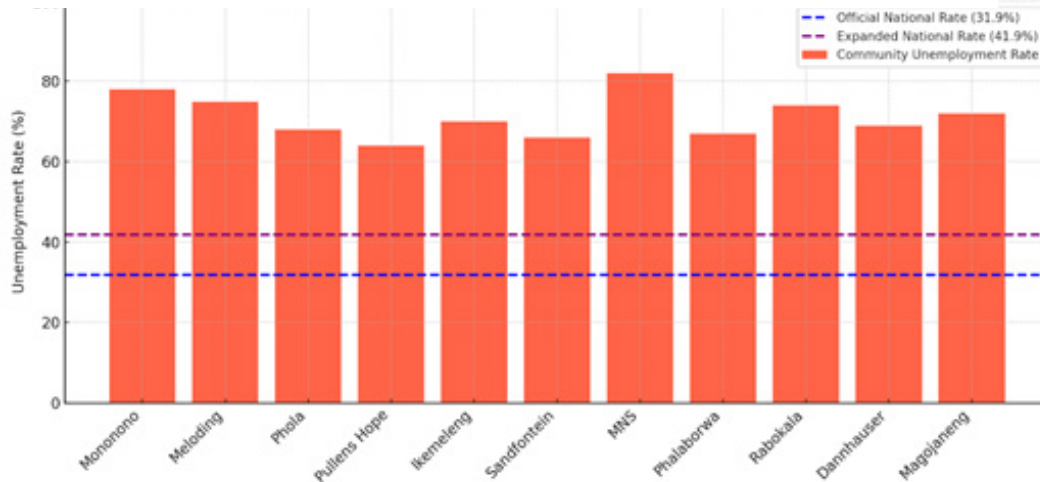
The social audits conducted in mining-affected communities across South Africa expose a deeply entrenched and pervasive challenge: the continued failure of mining operations to create employment and economic opportunities for local populations. In an economy already facing a national unemployment rate of 31.9% (however, the **expanded unemployment rate**, which includes discouraged job seekers, remained unchanged at **41.9%**)⁸, the situation in mining towns is even more dire, where extraction occurs alongside rising inequality, stagnant livelihoods, and systemic disinvestment in people.

Based on the data provided in the social audits, the **average unemployment rate** across mining-affected communities appears to **significantly exceed the national average**, with several sites reporting figures well above 64% unemployment or job access difficulty rate across communities with some as high as 82%

This figure is nearly **20–25 percentage points higher** than the **expanded national unemployment rate of 41.9%**, highlighting the **systemic failure of the mining sector** to integrate host communities into the local economy.

8 Statistics South Africa (Q4 2024 Labour Force Survey)

Unemployment in Mining-Affected Communities vs National Averages



Audit data from communities like Newcastle/Dannhauser, Mononono, Phola, Meloding, Pullens Hope, and Rabokala confirm a disturbing pattern.

In Newcastle/Dannhauser, 99 participants (82.5%) were unemployed. In Phola, 89 participants (76.7%) struggled to access job opportunities at Seriti Resources-Klipspruit Colliery, while in Rabokala, 83 participants (69.2%) faced barriers at Bushveld Vametco Mine. These figures are not isolated—they echo throughout the social audits and mirror national concerns about youth unemployment, gender disparities in access to work, and racialised patterns of economic exclusion.

The data also highlights a troubling and growing dependence on social grants as a primary income source. In Pullens Hope, 96 participants (54.2%) and in Rabokala, 74 participants (61.7%) indicated they relied on grants for survival.

This situation reflects a deeper structural injustice: although these communities sit atop or adjacent to vast mineral wealth, they receive almost no material benefit from extraction. Instead, what they receive are meagre government handouts to compensate for the mining industry's failure to deliver decent work, while multinational corporations extract billions in profits.

This model perpetuates a form of **extractive welfare**, where communities are not lifted out of poverty through wealth creation and reinvestment but are kept barely afloat through state subsidies.

This dependency on social grants has wide-ranging implications. It fosters a sense of hopelessness and erodes the dignity of residents who want to work but are locked out of formal employment and criminalised within the informal economy.

Social grants are critical in sustaining basic livelihoods, but they were never intended to replace full and dignified participation in a functioning economy. Communities often report feeling humiliated and expendable—watching the wealth being carted away while their children remain unemployed, untrained, and unsupported.

Training and skills development—a cornerstone of sustainable employment and upward mobility—are largely absent. In Mononono, 83% of participants reported never having accessed training or learnerships offered by the local mine. In Phola, that figure stood at 81.9%, while in Ikemeleng, 64.2% had never participated in any skills development initiative by Glencore Waterval Mine. In Meloding, a staggering 94.1% of participants had never engaged with any training offered by Tetra4. These programs, where they exist, are often poorly advertised, inaccessible, or tokenistic.

Mononono	Never accessed training or learnerships	83%
Phola	Never accessed training or learnerships	82%
Ikemeleng	Never participated in skills development initiatives	65%
Ikemeleng	Did not know anyone who benefitted from engineering learnerships	64%
Meloding	Never engaged in training	94%

Even in communities where training programs were advertised, awareness and accessibility remained low. In Ikemeleng, 94 participants (63.5%) did not know anyone who had benefitted from Glencore’s engineering learnerships. The lack of communication and transparency around these programs creates a gap between intention and impact—and ensures that marginalised groups, particularly women and youth, remain excluded.

The chronic failure to create pathways into the mining economy has far-reaching implications. Unemployment is not just a statistic—it is a driver of mental health distress, substance abuse, domestic violence, and social fragmentation. It erodes dignity and fuels intergenerational poverty. It suppresses local entrepreneurship and stifles the economic vibrancy of entire regions.

In Meloding and Phola, the absence of opportunity is coupled with growing disillusionment. “**We only matter when they want peace,**” one resident lamented, referring to how companies engage communities only to stave off protests.

Critically, the social audits highlight the **absence of employment pathways and support for alternative livelihoods**, including the informal and artisanal mining sectors. These sectors are often the only source of income for those excluded from formal opportunities.

However, instead of supporting and regulating small-scale miners in a manner that promotes safety, dignity, and local economic development, state and corporate actors often criminalise artisanal mining. This response reinforces monopoly control of mineral wealth by corporate elites, perpetuating a system where a few benefit while many remain impoverished.

There is a need to establish formalised structures that recognise and support informal workers—including artisanal miners, informal traders, and community-owned cooperatives. These structures must provide training, capital access, and legal protections that enable communities to benefit from the minerals in their lands without dependence on external corporations. Doing so would shift power dynamics, reduce corporate monopolies, and allow for broader and more equitable wealth distribution.

The consequences extend beyond local economies. Mining companies that neglect their employment and development obligations contribute to regional instability. The protests at Glencore’s Rhovan operations in April 2024, triggered by demands for local employment, are one of many such incidents⁹.

In 2022, a fraud case was opened at Odendaalsrus police station after four employees of Harmony Gold Mine reportedly colluded with the forum to sell jobs to desperate job seekers at Tshepong Mine. One of the victims, a 28-year-old at the time, apparently paid R22 610 under the false hope that her employment would be fast-tracked¹⁰. This entrenched corruption in hiring processes reflects a broader breakdown in governance and accountability.

Corruption Watch reports that over a third of complaints it received in 2023 related to the mining sector¹¹. Community members spoke of recruitment scams, jobs offered only to politically connected individuals, and bursaries awarded behind closed doors. These practices breed resentment, destroy trust, and make it harder for communities to advocate for broader rights—like environmental protections or fair consultation.

Despite some positive examples—such as Sandfontein, where 65.9% of participants knew community members employed by Siyanda Bakgatla Platinum Mine —these are rare and insufficient to reverse the broader trend. Even employed individuals face precarious conditions, limited job security, and little room for advancement.

9 <https://www.dailymaverick.co.za/article/2024-05-06-glencore-says-rhovan-mine-near-brits-hit-by-protests-since-29-april/>

10 <https://www.news24.com/citypress/news/4-harmony-gold-officials-suspended-for-selling-jobs-to-desperate-jobseekers-at-a-mine-in-free-state-20220317>

11 <https://www.corruptionwatch.org.za/wp-content/uploads/2024/04/corruption-watch-annual-report-2023-spreads.pdf>

Technological changes and mine closures continue to threaten these already fragile gains.

To build a Just Transition, employment cannot be a secondary consideration—it must be foundational. Addressing the employment crisis in mining-affected communities requires:

- Enforceable obligations on mining companies to hire locally and publish transparent recruitment metrics;
- Mandated investment in vocational training, technical education, and youth employment programs aligned with the green economy;
- The digitisation of job application processes to prevent gatekeeping and bribery;
- Stronger enforcement of labour and anti-corruption legislation;
- The establishment of independent, community-based recruitment oversight bodies;
- Legal and institutional recognition of artisanal mining and informal community labour as legitimate economic sectors, with targeted support programs.

Without these reforms, the mining industry will continue to reproduce patterns of exclusion, frustration, and poverty—directly undermining the constitutional promise of equality, and the moral promise of the Just Transition.

ACCESS TO WATER: RIGHTS VIOLATED AND RESPONSIBILITIES EVADED

Access to clean and safe water is not a privilege—it is a basic human right enshrined in South Africa’s Constitution. Section 27(1)(b) guarantees everyone the right to sufficient water, placing an obligation on the state to take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right.

Yet, across mining-affected communities, social audits have revealed that this right remains unrealised for far too many, undermined by pollution, corporate neglect, and institutional failure.

Water provision, where included in Social and Labour Plans (SLPs), is meant to align with local Integrated Development Plans (IDPs) and supplement the efforts of municipalities in service delivery.

However, the audits reveal that even when water infrastructure is promised, it is frequently delayed, incomplete, or entirely absent. In **Magojaneng**, South 32 committed to an SLP project worth **R17 million** to provide water to the community.

According to respondents, “people from the mine came and did a survey, but we’ve seen no change.” Physical inspections confirmed there were no improvements.

In **Phola**, Seriti Resources promised a **R7 million** water relief project, yet **88.8%** of residents reported being unaware of it. Only Ward 28 benefited, excluding Wards 30 and 31, despite being part of the same community .

Other communities show similar failures. In **Brits (Rabokala)**, **80.1%** of participants reported lacking access to clean water. In **MNS**, **83.2%** said their access was insufficient, and **88.3%** deemed the water quality poor.

In **Magojaneng**, only **26.4%** believed their water was of acceptable quality, even though **58.6%** reported some level of access. Across these audits, the recurring story is one of **water scarcity, poor infrastructure, and unsafe alternatives**, all of which reflect the failure of mining companies to uphold their SLP commitments and the inability—or unwillingness—of the state to hold them accountable.

The **health impacts** of unsafe water were also noted: in **Pullens Hope**, **7.3%** of respondents reported suffering stomach aches and **2.8%** experienced diarrhoea due to poor water quality.

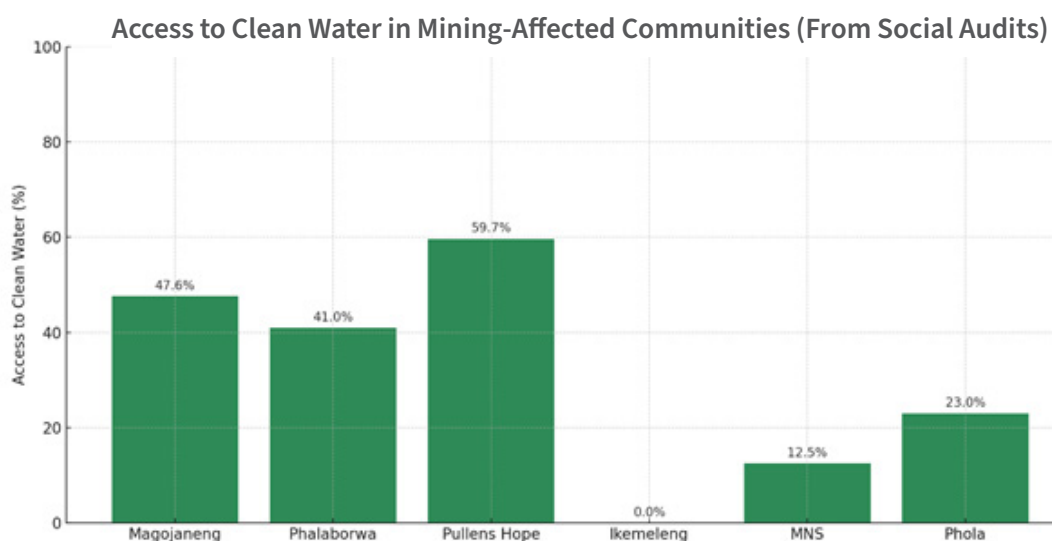
Access limitations compound this: in **MNS**, residents often walk **2 km** to fetch water. “We leave home at 4 a.m. to queue,” one woman shared, “and return with only enough for one day.” The burden disproportionately affects women and children, reducing time for education, caregiving, or income-generating work.

The audits also documented economic effects. In **Rabokala**, **82.8%** of respondents reported buying water from private vendors. In communities already suffering from unemployment and grant dependency, this additional cost is a cruel irony—residents pay for water while mining companies extract profits and leave behind damaged water tables.

Even where infrastructure exists, access is inconsistent. In **Magojaneng**, **48.2%** reported daily access, while in **MNS**, water is typically available **once or twice a week**.

In **Phola**, **31%** said they receive water twice a week, and **29.3%** have access three or more times weekly. But in **Brits**, only **21.5%** of residents said they get water daily, and nearly **20%** have access just once a week. These patterns show deep inequalities—not only between communities but within them.

The presence of **abandoned or incomplete water projects** signals a broader issue of accountability. When asked about South 32’s water project in Magojaneng, just **5.1%** of residents said it was completed.



In Phola, infrastructure is absent in wards that were meant to benefit. The result is reliance on illegal water connections and communal JoJo tanks. These stopgap measures are unsustainable and frequently fail.

The **overlapping responsibilities** of municipalities and mining companies create a vacuum in accountability. SLPs are not meant to replace municipal service delivery, but once water projects are included in SLPs, the mining company is responsible for their implementation. When these projects fail, residents are left with no recourse. **“We don’t know who to hold accountable,”** one resident from MNS said. **“The municipality says it’s the mine, and the mine says it’s the municipality.”**

This ambiguity fuels distrust, resentment, and social unrest. It reinforces the perception that corporate interests trump constitutional rights. While companies publish glossy sustainability reports and cite environmental stewardship, their actions—or inactions—on the ground suggest otherwise.

Mining operations themselves are among the **largest consumers and polluters of water**. From tailings dams to dust suppression and mineral processing, mining consumes vast amounts of water. In Magojaneng, the audit noted a R20 million pipeline project designed primarily to benefit mining operations, not communities. This is emblematic of a system that prioritises extraction over equity.

Moreover, the **failure to provide clean water exacerbates gendered and intergenerational poverty**. Women and children bear the heaviest burden, spending hours collecting water or coping with its health effects. Schools and clinics without clean water cannot function effectively, undermining both education and

healthcare. This is not merely a developmental issue—it is a profound human rights crisis.

In sum, the audits show that the failure to provide clean water is not a matter of isolated oversight—it is a systemic pattern tied to the logic of extractivism.

Mining companies externalise environmental costs while communities are left to cope with the fallout.

The Just Transition cannot succeed if the basic building block of life—clean water—is commodified, denied, or politicised.

Recommendations:

- ▶ The DMRE must mandate third-party verification of water infrastructure projects included in SLPs.
- ▶ Public repositories of completed and pending water projects should be established.
- ▶ The National Department of Water and Sanitation should jointly audit water-related mining impacts with affected communities.
- ▶ Legal reforms must clarify the accountability framework when SLP and IDP overlaps exist.
- ▶ Water-related SLP projects must be considered urgent rights-based interventions, not corporate philanthropy.

Without access to clean water, there is no dignity, no health, and no justice. The Just Transition begins at the tap.



WOMEN IN MINING-AFFECTED COMMUNITIES: EXCLUSION, EXPLOITATION, AND THE CRISIS OF REPRESENTATION

The intersection of gender, extractivism, and the energy transition represents one of the most pressing and underexplored dimensions of South Africa's mining economy. While the shift toward renewable energy and critical mineral extraction is framed as essential for environmental sustainability, the transition continues to be unjust for women in mining-affected communities. Rather than creating pathways for empowerment, the mining sector reproduces systemic exclusion, economic dispossession, and gender-based violence.

Drawing from MACUA and WAMUA's social audit data across 11 mining-affected communities, this section documents the lived realities of women and presents a critical reflection on their exclusion from consultation processes, employment opportunities, and economic benefits.

Exclusion from Consultation and Decision-Making

Despite policy frameworks like the MPRDA and the Mining Charter mandating public participation and gender equity, women remain sidelined. Decision-making processes related to land use, compensation, environmental impacts, and Social and Labour Plans (SLPs) overwhelmingly involve male-dominated traditional authorities and corporate actors.

In Phola, for instance, multiple respondents reported never having seen a woman speak at community consultation meetings facilitated by Seriti Resources. In Rabokala, women were excluded from negotiations concerning the siting of a waste facility that affected their water access, even though they bore the brunt of its consequences.

This exclusion is rooted in historical injustice. The apartheid-era migrant labour system entrenched patriarchal economic structures. The legal restrictions that excluded women from formal mining employment in South Africa were rooted in **Regulation 15(1)(c) of the Mine Health and Safety Act Regulations** under apartheid-era laws. This provision explicitly prohibited women from working underground in mines.

This restriction was based on a combination of colonial-era legal frameworks and patriarchal assumptions that women needed to be "protected" from underground work.

These laws were **only formally repealed in 1996**, following democratic reforms. However, broader legal and institutional barriers persisted until the **Mineral and Petroleum Resources Development Act (MPRDA) of 2002** came into effect, establishing

a more inclusive legislative foundation that finally opened formal employment pathways to women in mining, yet even post-reform, women's representation in the sector remains dismal.

As of 2023, women made up only 12% of the mining workforce, with the vast majority occupying administrative or low-paid support roles. The industry remains a bastion of what Bradshaw et al. (2017) call “supernormal patriarchy,” where hyper-masculine norms define both the workplace and community engagement spaces¹².

Gender-Based Violence and Exploitation

Disturbingly, social audit data from Sandfontein and Phalaborwa revealed instances of women being coerced into providing sexual favours in exchange for employment. Fifteen participants in Sandfontein and eight in Phalaborwa testified to this exploitation, describing it as a “known but unspoken rule” in job application processes. These abuses reflect a broader culture of impunity and reinforce women's economic dependency and vulnerability to violence.

The 2024 WAMUA GBV Report corroborates these findings, linking the rise in gender-based violence to the presence of male-dominated mining camps and the economic desperation in surrounding communities¹³. Limited access to support services, legal aid, or police protection further compounds women's suffering. Despite these grave violations, no mining company audited was found to have a dedicated GBV prevention or response programme.

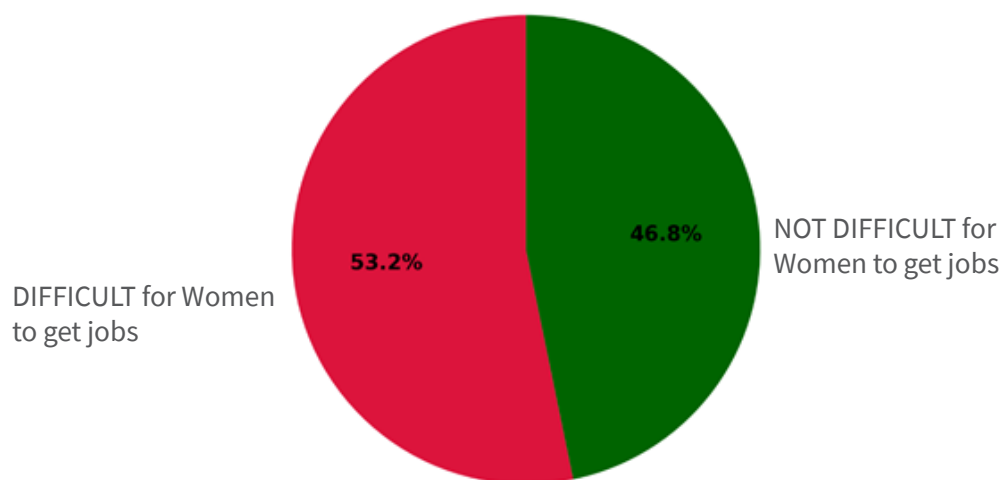
Employment and Economic Exclusion

Across the audited communities, the theme of economic exclusion is persistent. Of 1,003 respondents who addressed employment access, 534 (53.2%) stated that it was difficult for women to get jobs at the mine, while 469 (46.8%) believed otherwise. This division suggests not progress but **inconsistency**—where opportunity depends on geography, local politics, or corporate whim.

12 Bradshaw, S., Linneker, B. and Overton, L., 2017: “Extractive industries as sites of supernormal profits and supernormal patriarchy?,” *Gender and Development*. Taylor & Francis, 25(3), pp. 439–454.

13 WAMUA., 2024: *Beneath the Surface- Women's Struggles and Resistance to Violence in Mining-Affected Communities*, <https://macua.org.za/wp-content/uploads/2024/09/WAMUA-GBV-Report-2024-Beneath-the-Surface.pdf>

Perceptions of Employment Access for Women in Mining Communities



In Sandfontein, 25 participants stated that women were seen as “unsuitable for mine work,” while in Pullens Hope, only 14% of respondents had ever seen a woman involved in a training or learnership programme. In Ikemeleng, women reported being excluded from Glencore’s skills development schemes, with one respondent stating: “The applications come, but they already know who they’re taking—usually men, or people who know someone.”

This systemic exclusion has devastating ripple effects. Women, who are often heads of households or sole caregivers, are forced into informal labour, subsistence farming, or total dependency on social grants. In communities like Newcastle and Meloding, over 50% of female respondents relied on grants as their sole source of income. This economic precarity increases women’s vulnerability to exploitation, domestic abuse, and human trafficking. The absence of viable employment pathways renders women’s lives precarious in the shadow of enormous mineral wealth.

Environmental Harm and Water Insecurity

The energy transition’s demand for critical minerals such as manganese, copper, and vanadium has intensified mining activities, exacerbating water insecurity. This disproportionately affects women, who are primarily responsible for water collection and household care. In Kuruman, women reported that mine dewatering operations had dried up communal boreholes. In MNS, 83.2% reported insufficient access to water, and 88.3% cited poor water quality. These hardships are magnified by women’s exclusion from environmental decision-making structures.

Policy and Governance Failures

Although the Mining Charter mandates gender inclusion, enforcement is practically non-existent. Mining companies rarely disaggregate their employment or procurement data by gender, and regulatory agencies lack the capacity—or will—to demand compliance.

The Mining Charter III (2018) sets specific targets for gender inclusion, such as 20% representation of women in board and executive management positions and 15% procurement from women-owned and controlled companies. However, enforcement of these mandates has been weak.

A report by the Commission for Gender Equality (CGE) highlights that many mining companies have not met these targets, and there is a lack of effective monitoring and enforcement mechanisms by regulatory bodies like the Department of Mineral Resources and Energy (DMRE). According to the CGE Report, mining companies often fail to provide gender-disaggregated data on employment and procurement. This lack of data hampers the ability to assess progress toward gender inclusion goals. The CGE report notes that the absence of such data makes it challenging to measure the effectiveness of gender transformation initiatives in the mining sector.¹⁴

Moreover, traditional authorities often act as gatekeepers, resisting women's inclusion in consultation processes. In Rabokala, community women reported being told to “let the men speak” during IDP alignment meetings related to SLP projects.

Even progressive frameworks are easily undermined. Consultation processes are held in inaccessible venues, communicated in English or Afrikaans, or scheduled during times when women are busy with caregiving responsibilities. This systemic inaccessibility renders the process performative, rather than participatory.

14 https://www.parliament.gov.za/storage/app/media/OISD/Reports/Commission_for_Gender_Equality/2024/01-08-2024/Gender_Transformation_in_the_South_African_Mining.pdf

Towards a Gender-Just Transition

The Just Transition cannot be just if it leaves half the population behind. The energy transition presents an opportunity to rewrite the rules of engagement—replacing extractivism and patriarchy with inclusive, democratic, and redistributive governance.

In order to set in place structural reforms that can assist in ensuring a just transition we recommend the following:

Recommendations:

- ▶ Mandate gender audits in all SLP project reporting.
- ▶ Require disaggregated data on employment, procurement, and training.
- ▶ Enforce quotas for women in consultation and community leadership roles.
- ▶ Establish GBV prevention and support frameworks in all mining-affected areas.
- ▶ Prioritise women’s co-ownership of community development projects.
- ▶ Support women’s cooperatives and SMEs through dedicated mining-linked enterprise development funding.

In the words of a WAMUA organiser in Phola: “We don’t want handouts. We want power—to decide what happens on our land, to our water, and to our future.”

Unless gender equity is central to the Just Transition, South Africa’s mineral wealth will continue to be a source of oppression rather than liberation for millions of women. The time for reform is not tomorrow—it is now.



CONCLUSION: A SYSTEMIC FAILURE IN THE SHADOW OF THE JUST TRANSITION

The findings of this report are both damning and unequivocal: South Africa's mining-affected communities are not passive recipients of underdevelopment—they are the victims of a systemic, deliberate, and politically enabled regime of extraction, dispossession, and deception.

While the Just Energy Transition is publicly framed as an opportunity for inclusive growth, climate justice, and sustainable development, the reality exposed in this report is that, without radical structural reform, the transition will entrench and intensify historical injustices. It will become yet another chapter in the country's long history of elite accumulation and community betrayal—only this time, painted green.

Across eleven mining-affected communities audited by MACUA & WAMUA, a consistent and disturbing pattern has emerged: the legally binding commitments made by mining companies under Social and Labour Plans (SLPs) are routinely underdelivered, misrepresented, or completely unfulfilled. This is not a story of bureaucratic inefficiency or poor coordination. It is a story of coordinated institutional neglect, elite collusion, and **developmental theft**.

Of the **R376.25 million** in SLP obligations committed across the 11 audited communities, **R284 million** remains unaccounted for—either undocumented, misreported, or lost through ghost projects, inflated contracts, or incomplete delivery. While the **average project completion rate stood at 23.25%**, this figure reflects only the proportion of projects that were physically constructed or partially implemented. The actual **Community Value Score**, which measures the developmental benefit delivered to communities, was even lower—just **21.5%**. This discrepancy reveals a deeper systemic failure: many projects that were counted as “complete” were either unusable, non-operational, or irrelevant to local needs. The numbers are not only indicative of non-delivery—they are evidence of a model that rewards surface-level compliance while communities remain in poverty.

These figures are all the more obscene when viewed against the estimated **R218.8 billion** in combined turnover generated by the audited mining operations, yielding an estimated **R72.23 billion** in profits during the audit period. That means just **0.13%** of corporate profits made its way back to the communities from which that wealth was extracted.

This is not underperformance. It is **Crumbs Capture**—the morally indefensible practice of stealing even the scraps that were promised to the poor. It is a **False Benevolence Economy**, in which the language of transformation is weaponised to launder inequality and cloak plunder in public relations gloss.

Nowhere is this clearer than in the case of **Bushveld Vametco**, a company now in liquidation, where **R9 million in SLP funds** have vanished. Promised projects were never completed. Communities were left with rusted construction signs and empty foundations. The Department of Mineral and Petroleum Resources (DMPR) failed to intervene. Parliament remained silent. And no accountability has followed.

This is not regulatory failure—it is **regulatory abandonment by design**. The DMPR has consistently refused to verify SLP delivery on the ground. It has ignored formal submissions, multiple audit reports, and even photographic evidence of fraud. Its monitoring systems are based solely on unverified company self-reporting, creating a loophole that enables corporations to fabricate compliance with impunity.

Even more damning is the complicity of the **Parliamentary Portfolio Committee on Mineral Resources and Energy**, which has refused to call hearings, failed to respond to community submissions, and blocked efforts by MACUA & WAMUA to present findings. In April 2025, a formal **ethics complaint** was lodged against the Committee Chairperson, citing misrepresentation, conflict of interest, and dereliction of oversight duties. No investigation has followed. This is not neglect—it is **institutional gaslighting**, where the poor are denied voice, justice, and redress, even as the evidence of wrongdoing piles up.

Meanwhile, when communities dare to resist—when they march, demand answers, or occupy company offices—they are met with state repression. Police are deployed, court interdicts are issued, and SLAPP suits are filed. Operations like **Vala Umgodi**, launched under the banner of fighting “economic sabotage,” target poor artisanal miners with military-grade force, while turning a blind eye to corporate misappropriation of millions in SLP funds. This grotesque double standard criminalises poverty while legalising elite plunder.

If this trajectory is allowed to continue, the **Just Energy Transition** will not be just. It will become a green-washed version of the same extractive regime that defined South Africa’s colonial and apartheid past. It will reproduce inequality, deepen dispossession, and destroy the possibility of real development.

SUMMARY OF KEY FINDINGS

- ▶ **Systemic Developmental Failure:** The average SLP project completion rate across the 11 audited communities was just **23.25%**. The majority of projects were partially delivered, abandoned mid-construction, or never initiated. This points to a structural, not accidental, failure in development delivery.

- ▶ **Crumbs Capture – Minimal Community Impact:** Only **R92.25 million**, or **24.5%**, of the total **R376.25 million** in committed SLP funds reached communities in the form of completed and beneficial infrastructure. This is not just failure—it is theft dressed as development.

- ▶ **Unaccounted SLP Funds:** An estimated R284 million in SLP funds remains untraceable. This represents over 75% of the total SLP commitments. It is clear evidence of large-scale developmental fraud enabled by a lack of oversight.

- ▶ **Regulatory Collapse – DMPR Inaction:** The DMPR has abdicated its mandate under the MPRDA. It has refused to investigate reports of fraud, failed to sanction non-compliance, and relies solely on company-reported data—despite extensive, documented evidence of false reporting.

- ▶ **False Benevolence and Fabricated Compliance:** In sites like **Rabokala**, **Mononono**, and **Meloding**, projects were declared complete despite either not existing at all or being abandoned. This is not miscommunication—it is **corporate deceit**, rubber-stamped by the state.

- ▶ **Gendered Injustice and Exclusion:** Women were consistently excluded from SLP consultations, project oversight, and employment opportunities. Not one audited SLP reflected a gender-inclusive design or process.

- ▶ **Community Disempowerment and Information Blackout:** Across all sites, only **13.1%** of residents had ever seen an SLP. An overwhelming **97.4%** had no idea what the documents contained. This is a direct result of systemic secrecy and the failure to implement participatory governance.

- ▶ **Institutional Betrayal and Crisis of Trust:** Communities no longer trust government institutions, mining companies, or traditional authorities who sign off on projects without a mandate. The result is a **crisis of legitimacy** for the Just Transition and for democracy itself.

This report is a warning: unless these failures are confronted, the Just Transition will collapse into another elite-driven betrayal of South Africa's most vulnerable. It is not too late to act—but the window for meaningful reform is closing fast.

A LEGISLATIVE TURNING POINT

These findings arrive at a pivotal moment: the **Mineral and Petroleum Resources Development Act (MPRDA)**—the central legal framework governing mining in South Africa—is currently under review. This moment must not be reduced to another technocratic amendment or symbolic consultation process.

It is a rare and urgent opportunity to confront the **architecture of impunity** that has allowed billions in mineral wealth to be extracted while communities are left in **structural poverty**, denied **basic infrastructure**, and subjected to **corporate fraud** dressed as development.

The data presented in this report is not speculative. It is drawn from community-led, site-verified audits—democratically collected, independently documented, and submitted in good faith to Parliament and the DMPR over multiple years. **The state’s refusal to act is no longer just a failure—it is complicity.**

A CALL TO ACTION

The impending amendments to the Mineral and Petroleum Resources Development Act (MPRDA) present a critical, perhaps final, opportunity to halt what this report identifies as a systemic crisis of governance and developmental fraud in the mining sector.

The findings from the Magojaneng audit sharpen this urgency. There, the mining company United Manganese of Kalahari (UMK)—co-owned by *Chancellor House*, the ANC’s official investment vehicle—committed over **R172 million in Social and Labour Plan (SLP) obligations**, yet delivered only fragmented and opaque benefits to the community. No clear public accounting of funds has been produced. Financials remain hidden, consultation was managed undemocratically through traditional structures, and critical infrastructure remains unbuilt or unverified.

This is not just failure—it is state-enabled extraction. When political parties profit directly from mining operations, the separation between regulator and beneficiary collapses. What remains is a captured state, incapable of enforcing accountability against itself.

In this context, the legislative reform process must do more than adjust technical clauses. It must confront the foundational conflicts of interest that allow political elites to preside over, benefit from, and ultimately **loot what little is meant for the poor.**

We therefore call on Parliament, and the people of South Africa, to ensure that the MPRDA amendments:

- ▶ **Embed independent compliance verification mechanisms** that are shielded from political interference;
- ▶ **Legally recognise and protect community-driven social audits** as valid tools of accountability;
- ▶ **Empower mining-affected communities with enforceable rights to co-governance**, not just token participation;
- ▶ **Enforce criminal penalties** for false reporting, ghost projects, and misappropriation of SLP funds, including where politically linked companies are involved;
- ▶ **Mandate full public disclosure of all mining rights, SLP obligations, and beneficiary ownership**, especially where political office bearers or their investment arms are involved.

To miss this opportunity would be to **codify systemic theft into law**. It would entrench a framework in which companies like **Bushveld Vametco** can go into liquidation with over **R9 million in unaccounted funds**, and **UMK can disappear over R172 million in opaque SLP spending**, all while **communities remain in poverty and Parliament turns away**.

This is not simply a moment of policy reform. It is a **reckoning**. Parliament must act. Regulators must transform. And civil society must rise to ensure that **those who profit from crumbs capture** are no longer protected by silence.

STAKEHOLDERS & RECOMMENDED ACTIONS

The findings of this report lay bare a national crisis—not simply of underdelivery, but of *structural developmental theft*. What MACUA and WAMUA identify as **Crumbs Capture** is a system in which even the legally mandated crumbs due to poor, mining-affected communities are looted in plain sight—shielded by political influence, opaque governance, and a culture of impunity. Nowhere is this clearer than in Magojaneng, where a politically connected mining company with direct links to the ruling party (UMK, co-owned by Chancellor House) failed to deliver on R172 million in SLP obligations, yet continues to operate without consequence.

This is not a delivery gap. It is organised dispossession—facilitated by a state that too often serves as both **regulator and shareholder**, and by laws that fail to guarantee enforceable rights to the people most affected.

Each stakeholder must therefore respond not only to correct this failure, but to dismantle the power structures that made it possible.

1. Department of Mineral and Petroleum Resources (DMPR)

Mandate: Enforce compliance with the MPRDA; ensure that mining benefits reach affected communities.

Recommendations:

- ▶ **Undertake urgent institutional reform** to insulate regulatory functions from political and financial conflicts of interest.
- ▶ **Disclose all ownership stakes held by political office-bearers**, parties, or their proxies in mining companies.
- ▶ **Establish an Independent Compliance and Oversight Authority**, with full subpoena powers and community representation.
- ▶ **End the use of self-reporting** and replace with third-party and community-verified audits.
- ▶ **Make all mining rights, SLPs, and compliance reports publicly available** in open formats and local languages.
- ▶ **Launch an investigation into UMK's non-delivery in Magojaneng**, as a test case for enforcement under political ownership scrutiny.

2. Parliament & Portfolio Committee on Mineral Resources and Energy

Mandate: Legislative oversight, ethical accountability, and constitutional enforcement.

Recommendations:

- ▶ **Initiate a Commission of Inquiry into SLP corruption** and Parliament's own complicity through sustained inaction.
- ▶ **Amend the MPRDA to make political ownership disclosure mandatory** for all mining rights applicants.
- ▶ **Codify Free, Prior, and Informed Consent (FPIC)** as a non-negotiable legal standard.
- ▶ **Hold public hearings on this report's findings**, with compulsory appearances by the DMPR, implicated companies, and affected communities.
- ▶ **Sanction MPs or committee chairs who mislead Parliament or fail to declare conflicts of interest**—as seen in MACUA's 2025 ethics complaint.

3. National Treasury & Auditor-General of South Africa (AGSA)

Mandate: Oversight of public-interest funds and prevention of fiscal mismanagement.

Recommendations:

- ▶ Launch forensic audits into the R376.25 million in SLP funds assessed in this report, prioritising sites like Magojaneng.
- ▶ Require that politically connected companies be subject to heightened scrutiny, especially where SLP delivery is contested.
- ▶ Develop a centralised SLP tracking platform accessible to civil society and municipalities.
- ▶ Link future mining licenses to verified delivery—not self-reported compliance.

4. The Hawks (DPCI – Directorate for Priority Crime Investigation)

Mandate: Investigate public and private corruption, procurement fraud, and organised financial crime.

Recommendations:

- ▶ Classify large-scale SLP misreporting and ghost projects as developmental fraud under the Prevention and Combating of Corrupt Activities Act (PRECCA).
- ▶ Open criminal investigations into the R283.95 million in unaccounted funds, beginning with UMK, Bushveld Vametco, and other high-risk entities.
- ▶ Coordinate with whistle-blowers, MACUA social audit teams, and the AGSA to build prosecutable cases.
- ▶ Apply the same level of urgency and coordination used in anti-gang or state capture investigations to elite developmental theft.

5. Private Sector Mining Companies

Mandate: Deliver SLP obligations transparently and equitably under the MPRDA and Mining Charter.

Recommendations:

- ▶ Publish all SLPs, procurement records, delivery reports, and contractor information from 2010 to present, in accessible formats.
- ▶ Fund and participate in community-led social audits with binding corrective action mechanisms.
- ▶ End reliance on traditional authorities alone for “community consultation.” Consultation must be mandated, inclusive, and independently verifiable.
- ▶ Commit to remedial delivery for all failed or ghost SLP projects as a condition for licence renewal.

6. Civil Society, Social Movements & Labour Organisations

Mandate: Advance democratic accountability, protect rights, and strengthen popular governance.

Recommendations:

- ▶ Scale and formalise the community social audit model across all nine provinces.
- ▶ Challenge political ownership of mines through constitutional litigation and public advocacy.
- ▶ Develop a Just Transition Watchdog Coalition to independently monitor both energy and mineral transitions.
- ▶ Push for amendments to the MPRDA and Mining Charter that explicitly prohibit public officials and parties from owning mining assets.

7. Local Governments & Traditional Authorities

Mandate: Represent local interests and mediate between communities and extractive entities.

Recommendations:

- ▶ Refuse to endorse SLPs without formal, documented, and community-verified consultation processes.
- ▶ Work with MACUA/WAMUA to co-publish localised SLP dashboards in all wards.
- ▶ Disclose any personal or institutional mining interests to avoid conflicts of interest.
- ▶ Ensure that gender equity and youth participation are built into all SLP consultations.

8. International Donors, Development Partners, & ESG Investors

Mandate: Promote ethical investment, sustainable development, and democratic governance.

Recommendations:

- ▶ Freeze ESG ratings for companies like UMK until they demonstrate independently verified delivery.
- ▶ Make political ownership disclosures a mandatory condition for all funding, investment, and project support.
- ▶ Support the creation of a Just Transition Accountability Index led by civil society, to benchmark transparency and justice across green economy actors.
- ▶ Fund legal clinics, open-data platforms, and social audit trainings in marginalised communities.

Areas for Further Research

- ▶ **Political Capture in Mining:** Map the full network of public officials, political parties, and state-linked entities holding mining rights.
- ▶ **Impact of Elite Capture on SLP Delivery:** Quantify how political ownership influences development outcomes.
- ▶ **SLP Theft as a Crime Against Development:** Legal categorisation of SLP fraud as an economic crime with social harm dimensions.
- ▶ **Community Remedies and Compensation Mechanisms:** Explore legal pathways for reparations to communities affected by SLP theft.
- ▶ **Longitudinal Tracking of Ghost Projects:** Use open data and remote monitoring to trace long-term delivery status of reported SLPs.



FINAL REFLECTIONS: RECLAIMING JUSTICE IN THE AGE OF GREEN EXTRACTION

The Just Transition is not merely a technical roadmap to a low-carbon future—it is a profound moral reckoning and a defining political test for South Africa.

This report exposes a deeply uncomfortable truth: unless we confront the entrenched systems of inequality, exclusion, and elite capture that underpin mineral governance, the transition will not remedy injustice—it will repackage and reproduce it.

The extractive logic of apartheid will not be dismantled; it will be rebranded in green.

Across eleven communities, MACUA and WAMUA’s social audits reveal the anatomy of a developmental deception. Social and Labour Plans (SLPs)—created as legal mechanisms for redistributive justice—have been hollowed out by corporate misrepresentation, inflated delivery claims, ghost projects, and financial manipulation.

More than **R284 million** in development funds remain unaccounted for, while communities live amid failing infrastructure, polluted water, closed clinics, and staggering unemployment. At the same time, companies implicated in these audits have collectively generated over **R218.8 billion** in turnover and an estimated **R72.23 billion** in profits—yet returned just **R92.25 million** in actual SLP delivery. That amounts to just **0.13%** of total profits invested in the communities who bear the costs of extraction.

This is not under-delivery. It is **Crumbs Capture**—the morally indefensible looting of the bare minimum legally owed to the most dispossessed. It is a form of developmental fraud in which the language of upliftment is used to obscure elite enrichment, and in which “compliance” is nothing more than corporate theatre sanctioned by state complicity.

Nowhere is this complicity clearer than in the state’s differential response to poverty and power. Communities that protest the absence of promised development are met not with investigation or dialogue—but with **armed police, interdicts, and SLAPP suits**. The same funds meant for clinics and schools are redirected to hire legal teams and private security. Simultaneously, operations like

Vala Umgodi criminalise the poorest artisanal miners as “economic terrorists” while allowing companies with proven records of SLP fraud to continue operating with state approval and political protection.

In Magojaneng, the case of United Manganese of Kalahari (UMK)—a company co-owned by Chancellor House, the ANC’s investment vehicle—lays bare the consequences of political ownership in a deregulated environment. Over R172 million in SLP commitments remain unverified or undelivered. And yet, not a single sanction, audit, or prosecution has followed. This is not regulatory failure. This is political insulation and **governance by silence**.

The contradiction could not be starker: those with the least are criminalised the most, while those with the most are regulated the least. This is not the architecture of a Just Transition—it is a **reenactment of apartheid-era extraction**, wrapped in the green language of sustainability.

And yet, the power to alter course remains within reach.

This report is not only an indictment—it is a **call to justice**. The time for roundtables and rhetorical reform is over. What is needed now is:

- ▶ **Criminal investigations** into systemic SLP theft and misrepresentation;
- ▶ **Independent oversight bodies**, free from political interference;
- ▶ **Legislative reform** to embed enforceable rights, FPIC, and community co-governance;
- ▶ **Transparent disclosures** of ownership, compliance, and public benefit;
- ▶ And a **radical redistribution of power** from corporate boardrooms to community assemblies.

We do not want charity. We do not want to be “consulted” after deals are signed. We want **accountability**. We want **dignity**.

Because this is no longer a question of mining alone—it is a question of **democracy**, of **justice**, and of the country we are choosing to become.

If South Africa fails to act—if it allows this legislative window to pass without transformative reform—it will not simply have missed an opportunity. It will have **codified the theft of promises into law**, and legitimised the looting of the poor under the banner of sustainability.

But if we rise to meet this moment, we may yet reclaim the promise of the Just Transition—not as a slogan, but as a lived reality. One built not on exclusion, but on equity. Not on greenwashing, but on truth. Not on crumbs—but on justice.

The choice is urgent. The moment is historic. And the cost of inaction is irreparable.

ANNEXURES:

1. Final Matrix with Sector Context

COMMUNITY	COMPANY	EST. 5-YEAR TURNOVER (R BN)	ESTATED PROFIT (R BN)	JSE- LISTED	SLP COMMITTED (R M)	SLP DELIVERED (R M)	SLP UNACCOUNTED (R M)	COMPLETION SCORE (%)	COMMUNITY VALUE SCORE (%)
Mononono	UMK	37.5	12.38	No	10.0	0.5	9.5	10.0	5.0
Meloding	Tetra4	6.5	2.15	No	6.0	0.42	5.58	10.0	7.0
Phola	Seriti	50.0	16.5	Yes	30.0	5.2	24.8	17.0	17.3
Pullens Hope	Tumelo	3.6	1.19	No	8.0	3.0	5.0	37.5	37.5
Ikemeleng	Glencore	3.2	1.06	Yes	12.0	3.5	8.5	29.2	29.2
Sandfontein	Siyanda Bakgatla	16.2	5.35	No	16.0	4.2	11.8	26.3	26.3
MNS	Vanchem/ Ferro	5.5	1.82	No	7.0	0.0	7.0	0.0	0.0
Phalaborwa	PMC	30.0	9.9	No	15.0	6.2	8.8	41.3	41.3
Rabokala	Bushveld Vametco	15.0	4.95	Yes	10.0	0.95	9.05	7.1	9.6
Newcastle/ Dannhauser	Ikwezi	13.8	4.55	No	10.0	3.8	6.2	38.0	38.0
Magojaneng	UMK / South32	37.5	12.38	Partially	252.25	64.48	187.77	39.3	25.3
TOTAL	-	218.8	72.23	-	376.25	92.25	284.0	23.25	21.5

2. Methodology for Estimating Turnover, Profit, and SLP Allocations

The turnover and profit estimates reflected in the matrix are based on data extracted from the individual social audit reports submitted to MACUA & WAMUA for 11 mining-affected communities. Where available, figures were drawn from company annual reports, draft scoping reports, DMRE submissions to Parliament, or publicly available financial disclosures. In cases where direct data was not accessible, estimates were derived using standard production volumes, commodity pricing trends, and operating benchmarks typical for each mineral sector. Exchange rates were applied where figures were reported in USD, using a 12-month average exchange rate for consistency.

Estimated 5-year turnover was calculated by extrapolating available annual revenue data over the standard five-year period covered by Social and Labour Plans (SLPs). Estimated profits were conservatively calculated using an average industry margin of 20–25%, depending on operational and commodity-specific norms, and cross-validated against reported EBITDA/net profit margins for companies such as Seriti, Ikwezi, and South32.

SLP committed funds were obtained directly from each community social audit report, where company declarations were verified against municipal IDP references, DMRE reporting, or community-sourced data. Delivered amounts were assessed via physical site inspections, photographic evidence, and community verification processes, which evaluated both infrastructure completion and community benefit. Projects with missing, abandoned, or unverified outcomes were categorised as “unaccounted.”

All figures in the matrix represent conservative estimates and are intended to reflect patterns of systemic under-delivery, not precise financial auditing.



3. Extrapolation to National Scale of Under-Delivery

Assumed number of active mining rights with SLP obligations:

- ▶ **Conservative Scenario:** 700 active rights
- ▶ **Moderate Scenario:** 900 active rights

Updated average under-delivery per site (based on 11-site audit):

- R25.82 million
(R284 million ÷ 11 audited sites)

SCENARIO	NUMBER OF ACTIVE MINING RIGHTS	EXTRAPOLATED UNDER-DELIVERY
Conservative	700	R18.07 billion
Moderate	900	R23.24 billion

HOW THIS EXTRAPOLATION WAS CALCULATED:

The updated average SLP under-delivery figure of **R25.82 million per site** was derived by dividing the total unaccounted SLP funds (**R284 million**) by the number of audited communities (**11 sites**). This site-level average was then extrapolated across two plausible national scenarios—**700 and 900 active mining rights with SLP obligations**—based on DMRE and Minerals Council estimates.

4. Sector-Wide Estimate Based on Minerals Council Data

The **Minerals Council South Africa** reports that mining companies spent **R4.9 billion** in **2023** on social investment, based on **59%** of industry coverage.

This implies an estimated **total annual sector-wide spend** of:

$$\text{R4.9 billion} \div 0.59 \approx \text{R8.3 billion}$$

Assuming this average holds over two years:

$$\text{R8.3 billion} \times 2 = \text{R16.6 billion cumulative}$$

Applying the **observed under-delivery rate of 75.5%** (based on verified delivery of only R92.25 million out of R376.25 million):

$$\text{R16.6 billion} \times 0.755 = \text{R12.52 billion potentially unaccounted for at the national level}$$

Summary of National Extrapolated Developmental Theft

SCENARIO	ESTIMATED ACTIVE MINES OR SPEND	EXTRAPOLATED UNDER-DELIVERY
Conservative Estimate	700 mines	R18.07 billion
Moderate Estimate	900 mines	R23.24 billion
Sector-Wide Projection	R16.6 billion national spend	R12.52 billion

These figures are **not speculative**—they reflect a **verified under-delivery rate of 75.5%**, based on 11 detailed social audits conducted by MACUA & WAMUA. When applied across both **active mining rights** and **industry-wide social investment data**, the pattern of **SLP Developmental Theft** becomes **irrefutable**.

Over a five-year period, an estimated **R12.52 billion** in missing or misappropriated SLP funds would represent approximately 0.25% of the **mining sector's R5 trillion total turnover**—a fraction that reveals how **even the crumbs meant for the poor are systematically looted**.

This is not a technical failure. It is a systemic betrayal—enabled by regulatory abdication, parliamentary silence, and a compliance regime built on deception.

It demands **urgent forensic investigation, public transparency, and legislative reform** at a national scale.

5. Project Implementation

MINE	PROJECTS AUDITED AND COMMITTED TO IN THE SLP	DECLARED COMPLETION DATE	STATUS OF PROJECT
PHALABORWA MINING COMPANY			
①	Upgrading of 4 classrooms at Matome Malatji High School in Maseke Village (Budget: None provided)	2018	Partially complete. Only 3 out of 4 classrooms were constructed. Out of those classrooms that were constructed, the condition was poor, windows and doors were broken, electric cables were not conducting electricity. Classrooms were not fit for use.
②	Painting of Lepato High School in Makhushane Village (Budget: None provided)	2018	Complete.
③	Building on kitchen for feeding scheme at Makhushane Primary and putting a borehole and treatment of termites (Budget: None provided)	2019	Complete.
④	Paving of 1 km road to Mashishimale Clinic (Budget: None provided)		Insufficient information to conduct verification, but no roads leading to the clinic were paved and in a good condition.
TUMELO COAL MINE (PTY) LTD			
①	An upgrade of the gravel road in Pullens Hope – road P2539 (Budget: R1.125 Million)	2024	Insufficient information to verify as the road did not appear on any signage and the only road known by community members was the one leading to Tumelo Mine.
LENTSWE TSHIPI			
①	Construction of hawker stalls (Budget: R500 000)	2022	Not complete.
②	Refurbishment of a computer lab and provision of computer equipment at Makuka High School in Sefikile Community (Budget: R300 000)	2022	Not complete.
③	Refurbishment of computer laboratory and provision of computer equipment for Mononono Primary School (Budget: R150 000)	2022	Not complete.
④	Construction of a play area/ jungle gym, storage room and shaded car park area at Ebenezer Day Care Centre (Budget: R150 000).	2020	Not complete.

MINE	PROJECTS AUDITED AND COMMITTED TO IN THE SLP	DECLARED COMPLETION DATE	STATUS OF PROJECT
BUSHVELD VAMETCO MINE			
❶	Installing high mast solar lights (Budget: R4.7 million).	2022	Partially complete. The lights have been installed, but no one is properly maintaining the lights because no proper exit strategy was provided for in the SLP.
❷	Commitment to pave 1 km internal road in Rankotea (Budget: R3 million).	2022	Not complete.
❸	Cluster sports facility in ward 20 (Budget: R3 million).	2022	Not complete.
❹	Provision of clean water for Rankotea community (Budget: R4 million).	2022	Not complete.
❺	Sports grounds in Rankotea (Budget: R500 000).	2021	Not complete.
❻	Fencing 16 hectares of the heritage site and train youth tourist guides (Budget: R700 000).	2022 2021 2022	
❼	Widening of the walkway on Murray road (Budget: R400 000).	Unknown	Not complete.
GLENCORE WATERVAL MINE			
❶	Construction of a high school at Ikemeleng (Budget: R18 million)	2016	Not complete.
❷	Refurbishment of the Tirelong Primary School (Budget: R2.5 million)	2016	Partially complete. The only infrastructure improvement made by Glencore was the construction of a fence around the school.
❸	Construction of an administration block at JD Mosiah Primary School (Budget: R5 million)	2018	Complete. However the toilets in the administration block were not functioning.

MINE	PROJECTS AUDITED AND COMMITTED TO IN THE SLP	DECLARED COMPLETION DATE	STATUS OF PROJECT
IKWEZI MINING (PTY) LTD			
①	Support the business of Thuli Buthelezi and Phumzile Mathebula by building them a kitchen located on the mine land (Budget: C150 000)	2023	Not complete. The mine committed to build a kitchen at the premises of the mine with a seating area, but delivered a branded mobile kitchen in December 2024.
②	Upgrading of existing early childhood development centres (Budget: R2 Million) – Sunrise ECDC identified and audited from the list provided	12 months from commencement (Unclear)	Partially complete. The founder approached Ikwezi for one (1) additional mobile classroom, but Ikwezi built toilets and painted a classroom that was already in existence without further consultation.
SIYANDA BAKGATLA PLATINUM (PTY) LTD			
①	Expansion of Sedimogang Poultry Project (Budget: R2 Million).	2018	Partially complete. Siyanda Bakgatla upgraded the infrastructure, but never delivered the chickens as part of the commitment made by the mine, conflicting with their Integrated Annual Report 2020/2021.
TETRA4			
①	Meloding Community Hall – expand gym area (Budget: R399 966.94), Install 2 new security gates (Budget: R8000), Maintenance and repair (Budget: R67 079), Work area for women’s group (Budget: R57 000), Expand kitchen & cooking facilities (Budget: R45 000), General maintenance outside (Budget: R15 500).	2023	Not complete. None of the areas identified by the mine for upgrading the community hall were attended to, but for the delivery of 2 containers, however it is unclear whether the containers are for the women’s work group area or if they were delivered by the mine or the municipality as they are currently being used by the ward councillors as their offices and not for the use described in the SLP.

MINE	PROJECTS AUDITED AND COMMITTED TO IN THE SLP	DECLARED COMPLETION DATE	STATUS OF PROJECT
SERITI RESOURCES KLIPSPRUIT COLLIERY			
①	Emalahleni Local Municipality water relief project (Budget: R7 Million).	2019	Partially complete. The project was completed in ward 28, however in wards 30 and 31 there is still reliance by many residents on illegal water connections.
②	Phola substation (KPSX) – (Budget: R20 Million).	2018	Complete. Although there are minor deficiencies in the project, for example the building has an unfinished wall, there are some leakages of oil and the structure is poorly maintained.
UMK			
①	Sedibeng water supply project (Budget: R96 Million) – audit conducted in Tsineng.	2022	Not complete.
②	Joe Morolong Training Centre in Mothibistad Budget: R35 Million for Technical Skills, R6.75 Million for Computer Based Training, R11 Million for Driving Training.	2022	Not complete.
③	Local school infrastructure support programme (Budget: R8.85 Million)	2022	Difficult to verify because schools were not identified in the SLP.
④	Rehabilitation of Kathu to Hotazel road – R31 (Budget: R24 Million).	2019	Not complete. At the time the audit was conducted in late 2022 it was found that the road was not complete and that it benefitted mainly the mines as it was the road along the entrance to UMK and many other mining companies in the area.

MINE	PROJECTS AUDITED AND COMMITTED TO IN THE SLP	DECLARED COMPLETION DATE	STATUS OF PROJECT
SOUTH 32			
①	Tsineng road project (Budget: R58.6 million).	2017	Not complete.
②	Rearata Primary School Project (Budget: R6 million).	2018	Complete.
③	Community water supply project (Budget: R17 million) – audited in Magojaneng.	2017	Not complete.
④	Paediatric unit at Tshwaragano Hospital (Budget: R5 million).	2021	Partially complete. At the time of the audit in late 2022, the paediatric unit at Tshwaragano Hospital in Bathlaros was still under construction and incomplete.
⑤	JTG Recycling (Budget: R3.5 million).	2022	Unable to verify.

6. Step-by-Step Framework to Calculate Actual Community Value Score

1. Define Key Impact Criteria (0–5 scale for each)

CRITERION	DESCRIPTION	MAX SCORE
RELEVANCE	Does the project address an expressed community need?	5
FUNCTIONALITY	Is the project operational and serving its intended purpose?	5
QUALITY OF DELIVERY	Was the infrastructure well built, maintained, and safe to use?	5
COMMUNITY CONSULTATION	Were beneficiaries meaningfully consulted during design and implementation?	5
LOCAL ECONOMIC IMPACT	Did the project create jobs, use local contractors, or stimulate local economy?	5
SUSTAINABILITY	Will the project have long-term benefits without heavy ongoing costs?	5
GENDER INCLUSION	Were women included in planning, employment, or direct benefit?	5

→ Maximum Total Score per Project: 35 points

2. Convert to a Percentage

- Final Score (%) = (Total Score / 35) × 100

3. Example Application: Makhushane Primary School Kitchen Project

CRITERION	SCORE (OUT OF 5)	REASON
RELEVANCE	5	School requested a kitchen & borehole
FUNCTIONALITY	5	Kitchen and borehole are operational
QUALITY OF DELIVERY	4	Generally good, but no budget transparency
COMMUNITY CONSULTATION	2	Principal not consulted beforehand
LOCAL ECONOMIC IMPACT	3	Local benefit unclear (contractor origin unknown)
SUSTAINABILITY	4	Borehole and kitchen can support long-term use
GENDER INCLUSION	3	No reported targeting, but women likely benefit via school meals

→ Total Score: 26 / 35 → Value Score = 74.29%