mineral &
petroleum resources
Department:
Mineral and Petroleum Resources
REPUBLIC OF SOUTH AFRICA

Private Bag 54307, Durban, 4000. Tel: 031 335 9600 Fax: 031 301 6950, 5th Floor Mansion House, 12 Joe Slovo Street, Durban, 4000, From: Directorate: Mineral and Petroleum Regulation: KwaZulu – Natal Region, Enquiries: M Sekhonyana
Ref. KZN30/5/1/2/2/10041MR

REGISTERED MAIL

THE MINING RIGHT HOLDER

TENDELE MINING (PTY) LTD
P.O BOX 6070
RIVONIA
2128

Dear Sir/Madam

SOCIAL AND LABOUR REVIEW IN TERMS OF SECTION 102 READ WITH REGULATION 44 OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT, 2002 (ACT 28 OF 2002) (HEREINAFTER REFERRED TO AS "the Act") BY TENEDELE MINING (PTY) LTD ON PART OF THE REMAINDER OF RESERVE NO.3 NO.15822 IN THE MAGISTERIAL DISTRICT OF HLABISA.

1. **WHEREAS Mining Right** to mine coal has been issued in terms of section 23 (1) of the said Act for a period of thirty (30) starting on the **26th of October 2016** ending on the **25th of October 2046.**

2. **WHEREAS** the holder has applied for the amendment and review of Social and Labour Plan in terms of section 102 read with regulation 46B of the said Act in their right.

3. **WHEREAS** the power to grant consent for the review of a Social and Labour Plan, in terms of section 102 of the said Act, has been delegated

to me by the Minister of Mineral and Petroleum Resources in terms of section 103 of the said Act.

4. **NOW THEREFORE** I, **MR TSELISO MAQUBELA** in my capacity as Deputy Director-General, of the Mineral and Petroleum Regulation Branch, by virtue of the power delegated to me, hereby grant consent in terms of section 102 read with regulation 46B of the MPRDA for the implementation of the Social and Labour Plan review documents 2021-2025 and 2026-2030.

MR TSELISO MAQUBELA
DEPUTY DIRECTOR- GENERAL
MINERAL AND PETROLEUM REGULATION
DEPARTMENT OF MINERAL AND PETROLEUM RESOURCES
DATE: 29-05-2026

Tendele MINING

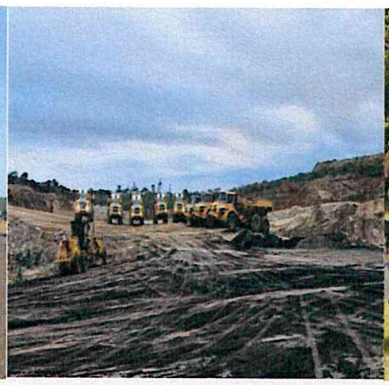
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REVIEW
SOCIAL AND LABOUR PLAN
2026-2030

REF: 10041 MR

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Title:

Social and Labour Plan for Tendele Mining on Portion 0 (Remaining Extent) of the farm Reserve No 3, Somkhele 15822, Area 4 and 5, District of Mtubatuba, KZN Province, Republic of South Africa

Company Details

Company:	Tendele Mining Pty (LTD)
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Date: December 2025

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EXECUTIVE SUMMARY

Tendele Mining (Pty) Ltd holds several mining rights in the Mpukunyoni area, namely Area 1 (135 MR); Areas 2 and 3 (216 MR); and Luhlanga and Kwa-Qubuka (Section 102 extension of 216 MR). This submission pertains to the third-generation Social and Labour Plan (SLP) for the 2026–2030 period and relates specifically to Mining Right 10041 MR, which includes Areas 4 and 5 as depicted in Map 1.

The Mine operates as a single integrated coal mining complex, comprising a series of mini-pits located along one coal seam, all feeding material into Area 2, where three washing plants are situated. The operation is unified under one management team, one workforce, and one community engagement structure—reinforcing that Tendele operates a single mining operation across all its rights.

The Mineral and Petroleum Resources Development Act (MPRDA), Act No. 28 of 2002, and its amendments, require that mining companies review and update their SLPs every five years. Tendele successfully completed its first-generation SLP (2016–2020), which was formally extended to 2021 via a Section 102 amendment. However, since 2017, the company was unable to implement mining operations under MR 10041 due to prolonged litigation and unresolved relocation issues and only started mining operations in the middle of 2024. Tendele further submitted its second generation SLP (2021-2025), which was on catch up basis given that the litigation conundrum has never left sight of Tendele and its ability to resume mining without having to defend its right to mine.

This submission is therefore made:

- As part of Tendele's regulatory obligation to submit a third-generation SLP for MR 10041, covering the period 2026–2030; and
- In compliance with the order of Judge Bam (delivered on 4 May 2022), who directed that all new or additional information regarding the Mining Right and Environmental Management Programme (EMPr) be submitted to the Minister for reconsideration of the pending appeal.

We respectfully submit this SLP in accordance with the directive of the Honourable Court. This document should be read in conjunction with:

- The cover letter to the Minister relating to the MR 10041 submission.
- A response letter to the DMPR's directive.
- The amended Mining Works Programme, which includes all requisite elements of a mine plan, including this Social and Labour Plan and Relocation Action Plan as part of the Mining Right Appeal.
- Tendele's updated Environmental Management Programme (EMPr); and

- The ongoing Public Participation Process (PPP) conducted in line with Judge Bam's judgment.

This integrated set of submissions supports the Minister's reconsideration of the appeal and demonstrates Tendele's continued commitment to lawful mining, sustainable development, and inclusive community benefit.

Tendele's mining reserves have been depleted for Area 1, Area 2 and Luhlanga and Boxcut Zero by June 2022 due to being unable to access future mining areas (MR10041). This course of events has caused all employees of Tendele to be retrenched by end of June 2022 (1200 employees plus 400 employees from local entrepreneurs – in all 87% from the hosting community), and the Mine was then put on Care and Maintenance, and the workforce reduced to 21 people, and the only activity that remained was plant 3 rewashing discard from old workings which also got depleted in April 2024.

Factors influencing MR10041 are the following:

1. RELOCATION

Since June 2017, Tendele has worked to relocate 155 affected households within MR 10041. Agreement was reached with 143 households, leaving 12 families unresolved. A formal Section 54 (MPRDA) process was concluded with the Department of Mineral Resources and Energy by the end of 2020.

To mediate the remaining disputes, a professional mediator was engaged in January 2021. Despite significant effort, this mediation ended in June 2022 without resolution. Tendele, having exhausted all formal channels, was left with no alternative but to continue direct negotiations in good faith with the remaining households. The relocation impasse remains a core obstacle to operationalising MR 10041 in full.

At the time 55 Houses were surveyed at Emalahleni and 56 houses surveyed at Ophondweni. Some of the households were reluctant to provide details and other personal information.

In addition to the houses above at Emalahleni, "new houses" were built in the area between March 2017 and November 2017. This was after the map for the new mining areas was discussed with the Community. By March 2020, there were an additional 50 new houses built, without following locally customary practice (Khonza), and in attempt to extort money from the mine.

At the time that the negotiations commenced with respect to families at Emalahleni and Ophondweni, the 2011 Relocation Protocol was used. This was the Protocol that was used to relocate 108 families at (Luhlanga/Kwa-Qubuka).

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The Mine conducted numerous meetings during 2017 in an attempt to finalise the Phase 2 relocations. Unfortunately, the Mine was unsuccessful and during December 2017, a detailed letter was written to the entire Mpukunyoni Community situated in the 8 Izigodi around the Mine indicating that if the Mine does not secure the future mining areas, the Mine will be obliged to close.

After many interventions by the departmental task team appointed by the Minister of the DMPR, Premier's task team, the Zulu king's delegation, the Mine reached a stage of commencement with mining activities. On 15 February 2023, Tendele notified the Community that it intends commencing with certain activities in anticipation of mining in Emalahleni and Ophondweni on or about 17 March 2023.

On 6 March 2023, Tendele received an urgent interdict application launched by the Mfolozi Community Environmental Justice Organization (MCEJO) and others seeking an order to stop Tendele from recommencing its activities. All of this happened over a court case that awaited to sit.

Physical relocation activities commenced in January 2024 as part of the broader project implementation plan. Since then, significant progress has been made in relocating affected households and clearing the project area for mining activities to commence.

As of May 2025:

- Emalahleni
  - Total houses to be relocated – 78
  - Agreements signed - 78
  - Houses relocated to date – 77
  - Houses outstanding - 1
- Ophondweni
  - Total houses to be relocated – 77
  - Agreements signed - 64
  - Houses relocated to date – 56
  - Houses in the process of building - 8
  - Houses still in negotiations for relocation - 13

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Negotiations with the remaining outstanding households were still ongoing, especially in Ophondweni with efforts being made to reach mutually acceptable agreements. Some of the affected families are represented by All Rise Attorneys, who are engaging with the mine on their behalf. These families are MCEJO members. This is the reason why Tendele has not started its mining activities in Ophondweni.

Relocation negotiations at Mahujini are yet to commence.

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2. LITIGATION

Background:

It is essential to have an understanding of the prevailing circumstances that surround the operationalization of the granted Tendele mining right. The facts around the litigation are as follows:

A. In November 2018, the Mfolozi Community Environmental Justice Organisation (MCEJO) launched a judicial review to set aside:
   i. The decision of the Director-General of the DMPR in May 2016 to grant a Mining Right to Tendele in respect of Areas 4 and 5.
   ii. The decision of the Regional Manager, KZN Region of the DMPR in October 2016 to approve the aforesaid EIA/EMPr.
   iii. The decision of the Minister in June 2018 to dismiss MCEJO's appeal against the two aforesaid decisions.

B. Judgment in the judicial review proceedings was handed down by Judge Bam in the Pretoria High Court on 4 May 2022.
   i. Although the Judge declared both the DG's decision to grant the Areas 4 and 5 MR and the RM's approval of the EMPr invalid, he did not set them aside.
   ii. Instead, she ruled that the appeal should revert to the Minister for reconsideration, informed by any new information submitted by stakeholders.

C. Judge Bam's decision recognised the importance of Somkhele Mine to the community and regional economy.

D. In 2023, MCEJO sought an interdict to prevent mining in Emalahleni. The Pietermaritzburg High Court upheld Tendele's right to mine under the existing right and EMPr.

E. As of 13 July 2023, Tendele remains legally entitled to mine and simultaneously finalise the PPP as ordered.

Status:

- Tendele has complied with Judge Bam's ruling, initiating a new PPP and updating its EMPR, and MWP and SLP for submission.
- A Section 102 application reduced the mining area by 92%, retaining Emalahleni, Ophondweni, and Mahujini.
- The public consultation commenced on 1 July 2022, with all required documentation circulated and reviewed.
- The litigation phase is effectively complete, and all information is submitted to the Minister in the appeal process for reconsideration.

3. FUNDING

Tendele's financial viability was severely strained due to prolonged delays in accessing MR 10041, leading to significant operational losses of nearly R500 million during the COVID-19 pandemic.

Shareholders injected R400 million to maintain operations.

As legal clarity was reached and operations began to resume, Tendele secured:

- Revised facility Agreements with debt providers;
- R500 million in development funding for MR 10041; and
- R500 million in mining equipment.

These commitments provide a stable financial foundation contingent on continued access to the mining areas and a clear legal path forward.

4. Market collapse

Despite commencing with extractive mining operations in Emalahleni in October 2024, Tendele was forced to place the Somkhele Mine on care and maintenance for a second time in July 2025 due to the collapse of the ferrochrome industry (being Tendele's principal client base). This was duly communicated to the DMPR during 2025 informing the department that Tendele is on care and maintenance.

Mining operations at the Somkhele Mine will recommence as soon as the ferrochrome producers in South Africa recommence operations.

5. TABLE OF COMMITMENTS

Below is a summary of the key projects, programmes, and related budgets for a period of 5 years (2026 – 2030) as outlined in Table 1.

Table 1: Summary of SLP Budget Commitment for 2026-2030

Description	2026	2027	2028	2029	2030	TOTAL
Skills Development						
Abet Employees	0	0	4	4	4	12
	R0	R0	R26 000	R26 000	R26 000	R78 000
Abet Communities	0	0	8	8	8	24
	R0	R0	R52 000	R52 000	R52 000	R156 000
Learnership Internal	0	0	1	1	1	1
	R0	R0	R157 150	R157 150	R157 150	R471 450
Learnership External	0	0	1	1	1	1

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	R0	R0	R139 150	R139 150	R139 150	R417 450
Internship	0	0	0	1	1	1
	R0	R0	R0	R90 000	R90 000	R180 000
Bursaries - Employees	0	1	1	1	0	1
	R0	R125 900	R125 900	R125 900	R0	R377 700
Bursaries - External	0	0	1	1	1	1
	R0	R0	R167 900	R167 900	R167 900	R503 700
Skills Training Communities	0	3	3	2	3	11
	R0	R242 184	R242 184	R161 456	R242 184	R888 008
HDSA Management Development	0	0	1	1	1	3
	R0	R0	R45 000	R45 000	R45 000	R135 000
Sub Total	**R0**	**R368 084**	**R955 284**	**R964 556**	**R919 384**	**R3 207 308**
Mine Community Development Projects						
LED Project	**2026**	**2027**	**2028**	**2029**	**2030**	**Total**
ECD Infrastructure (Emalahleni)	R0	R800 000	R800 000	R0	R0	R1 600 000
ECD Infrastructure (Ophondweni)	R0	R0	R0	R800 000	R800 000	R1 600 000
Mahujini Community Hall	R0	R0	R0	R0	R1 200 000	R1 200 000
Access Roads	R0	R600 000	R600 000	R248 258	R0	R1 448 258
Sub Total	**R0**	**R1 400 000**	**R1 400 000**	**R1 048 258**	**R2 000 000**	**R5 848 258**
Management of downscaling						
	2026	**2027**	**2028**	**2029**	**2030**	**Total**
Management of downscaling (Portable skills- Employees)	0	3	3	2	2	10
Sub Total	R0	R30 000	R30 000	R20 000	R20 000	R100 000
Grand Total	**R0**	**R1 798 084**	**R2 385 284**	**R2 032 814**	**R2 939 384**	**R9 155 566**

6. CONCLUSION

On 8 May 2024, Tendele resumed operations in MR 10041 under its valid Mining Right and first ROM was extracted in October 2024 in Emalahleni and operated at almost 50% capacity. This milestone has reignited economic activity in the Mpukunyoni area only to be disappointed by the market collapse which has compelled Tendele to be under care and maintenance.

Key developments:

- Workforce re-established from 21 to almost 500 direct and indirect jobs.
- Recommencement of SLP projects and procurement from local entrepreneurs.
- Renewed engagement with affected communities.

Tendele continues to face public opposition from All Rise Attorneys and MCEJO and a 7th Court Process was already underway at the time of submitting this SLP Report. This SLP reaffirms our commitment to inclusive development, economic upliftment, and legal compliance.

As stated above a section 102 was previously requested and approved to change and have some programmes delivered up to the year 2021/2022 financial year, hence most programmes in this SLP are shown to start implementation in the year 2026 – with the hope that mining will recommence and cash generated to enable the Mine to implement its obligations.

We submit this SLP to the DMPR Minister in his reconsideration and to transparently demonstrate Tendele's long-term vision for sustainable mining. Sadly, Tendele must endure another setback emanating from the collapse of the anthracite market.



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ACRONYMS

AET	Adult Basic Education and Training
BBBEE	Broad Based Black Economic Empowerment
DMPR	Department of Mineral Resources and Energy
DoL	Department of Labour, also called Department of Employment and Labour
EE	Employment Equity
HDSA	Historically Disadvantaged South Africans
HRD	Human Resource Development
IDP	Integrated Development Plan
LED	Local Economic Development
MQA	Mining Qualifications Authority
MPRDA	Mineral and Petroleum Resources Development Act, 2002 (Act No 28 of 2002)
RPL	Recognition of Previous Learning
SETA	Sector Education Training Authority
SMME	Small Medium Micro Enterprises
SLP	Social and Labour Plan
ToR	Terms of Reference
WSP	Workplace Skills Plan
DEAT	National Department of Environmental Affairs and Tourism
DWAF	Department of Water Affairs and Forestry
ECA	Environment Conservation Act 72 of 1989
EIA	Environmental Impact Assessment
GDACE	Gauteng Department of Agriculture, Conservation and Environment
IAP	Interested and Affected Parties
NEMA	National Environment Management Act 107 of 1998

GLOSSARY

Calendar year is defined as the one-year period that begins on January 1st and ends on December 31st.

Community means a coherent, social group of persons with interest of rights in a particular area of land which the members have or exercise communally in terms of an agreement, custom or law.

Demographics means the numerical characteristics of a population (e.g. population size, age, structure, sex/gender, race, etc.)

Employee - means any person who is employed or working at a mine.

Historically Disadvantaged South Africans (HDSA) refers to South African citizens, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) came into operation which should be representative of the demographics of the country.

Labour sending area refers to areas from which most mineworkers, both historical and current are or have been sourced.

Level of management refers to line of demarcation between various managerial positions.

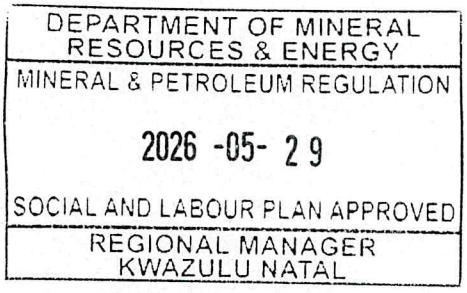
Life of Mine means the number of years that a particular mine will be operational.

Mining Charter means the broad-based socio-economic empowerment Charter for the South African Mining and Minerals Industry of 2018, also referred to as Mining Charter III.

Mine Community refers to communities where mining takes place and labour sending areas.

Social Fund refers to a trust fund that provides financing for investments targeted at meeting the needs of poor and vulnerable communities as informed by commitments made by companies in terms of their social and labour plans.

Sustainable development means the integration of social, economic, and environmental factors into planning, implementation, and decision-making to ensure that the mineral and petroleum resources development serves present and future generations.



INTRODUCTION AND BACKGROUND INFORMATION ON TENDELE MINING – REGULATION 46 (a)

SECTION 1: PREAMBLE

The Social and Labour Plan (SLP) for Tendele Mining was compiled in accordance with the stipulations as contained in the Guideline for Submission of a Social and Labour Plan as required in terms of Regulation 46 of the Minerals and Petroleum Resources Development Act, 2002 (Act 28 of 2002).

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1. Background Information

1.1.	**Name of Company**	-	Tendele Mining (Pty) Ltd
1.2.	**Name of Mine**	-	Somkhele Mine
1.3.	**Physical Address**		Nkolokoto, R 618, 23 km off the N2, Mtubatuba, KwaZulu-Natal
1.4.	**Postal Address**	-	Postnet Suite 208 P/Bag X013 Mtubatuba 3935
1.5.	**Telephone Number**	-	082 895 1406
1.6.	**Fax Number**	-	086 658 1559
1.7.	**Location**	-	Machibini area

Tendele Mining is located within the Mpukunyoni Traditional Authority in the Somkhele area. Mpukunyoni area falls under the jurisdiction of Mtubatuba Municipality, Umkhanyakude District Municipality, in the KwaZulu Natal Province. Map 1 shows all mining areas within the Mpukunyoni jurisdiction that forms part of this SLP.

1.8 Commodity

The company mines **anthracite**.

1.9 Life of Mine

The expected life of mine at the rate of current production is estimated to be 10 years.

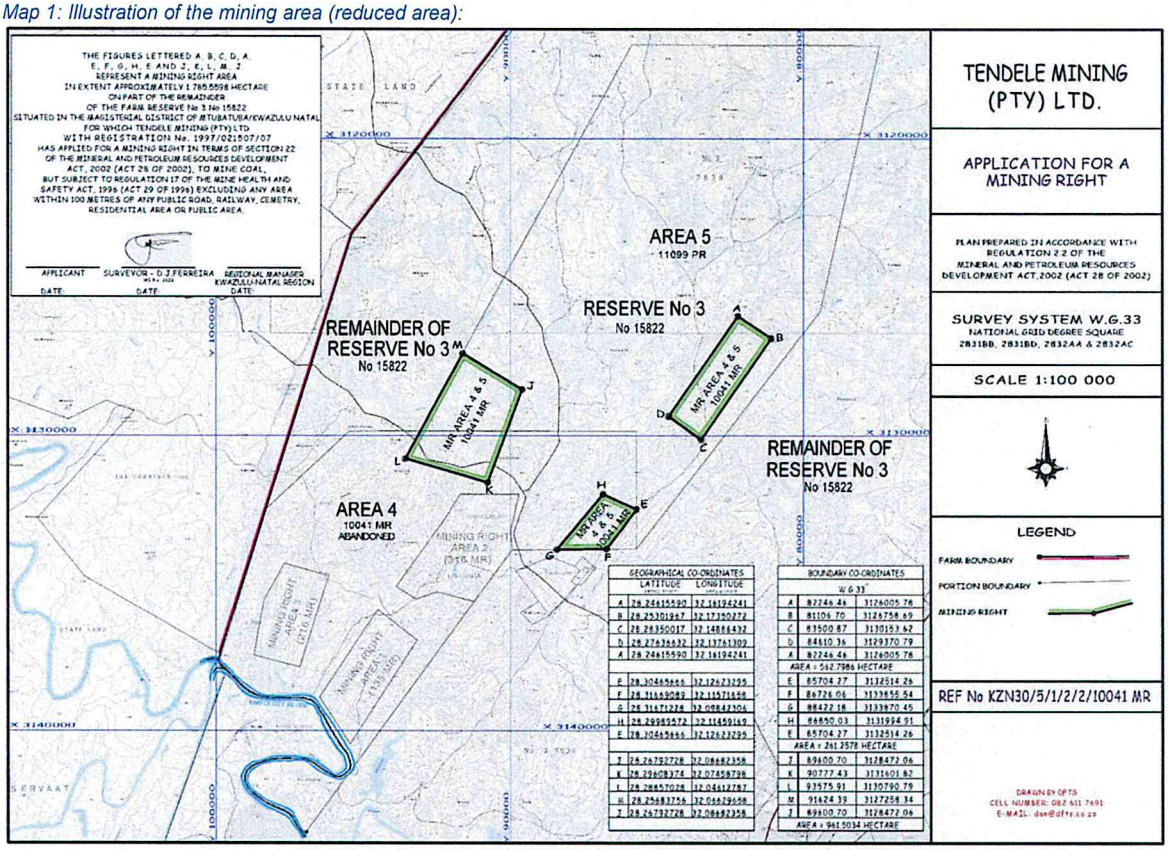
1.10 Financial year: 1 July to 30 June

1.11 Reporting Year to DMPR: 31 December annually

For details on this document please contact
Nathi Kunene 078 815 5309
Email: Nathi@somkhele.co.za

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Map 1: Illustration of the mining area (reduced area):



1.12 Introduction

Tendele Mining is presenting a Reviewed SLP for the period 2026 to 2030 for MR 10041 to the DMPR for retention of the Tendele's mining license. The SLP targets and commitments represented in this SLP are integrated with the requirements of Mining Charter III of 2018.

The Mine's current workforce profile, its Human Resources Development Programmes, Mine Community Development Plan, Housing and Living Condition Plan, Employment Equity Plan, Processes to save jobs and manage downscaling and/or closure are comprehensively outlined in this SLP which will run for the period 2026 - 2030.

1.13 Workforce profile

At the time of submitting this SLP to the DMPR, Tendele Mining required a total of 235 employees for the respective Mining. Cognizance is taken of the fact that when in full production, Tendele's workforce complement will be a total of 288 employees. It is anticipated that more than 80% of the workforce will be from the local Mpukunyoni Community.

Table 2: Workforce profile

Gender	Female					Male					Grand Total
Race	African	White	Coloured	Indian	Total	African	White	Coloured	Indian	Total	
No	21	1	0	2	24	125	5	0	2	132	156

WOM %	24 (15%)	OF WHICH WIM %	11 (45%)

OTHER – TOTAL CONTRACTORS' EMPLOYEES			
TOTAL LOCAL CONTRACTORS' EMPLOYEES*	0	TOTAL FOREIGN NATIONALS EMPLOYEES	0
TOTAL EMPLOYEES INCL CONTRACTORS	0		

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1.14 Breakdown of employees per labour sending area

The Mine sources most of its employees from the surrounding communities. The Table below provides a breakdown of its employees sourced from various areas in South Africa.

Table 3: Number of employees from each Labour Sending Area

TOTAL MINE		
Area	**No. of employees**	**% Strength**
Mpukunyoni Area under Mtubatuba Municipality		
Dubulenkunzi/ Nkolokotho	20	12.8
Esiyembeni	3	1.9
Kwa-Myeki	24	15.4
Machibini	33	21.2
Mahujini	2	1.3
Ophondweni (Gunjaneni, Tholokuhle, Nsolweni, Mvutshini, Ekuthuleni)	10	6.4
Nkundusi	0	0
Nordale	2	1.3
Nomathiya (Ebaswazini, Nkodibe, Hoho, Iziphaphazi, Nkombose, Mshaya, Qakwini, Mfekayi)	18	11.5
Kwa-Msane	9	5.8
Mtubatuba	2	1.3
Madwaleni (Ngqopheni, Mapheleni, Ogengele, Shikishela, Makhambane)	15	10.6
Khula (Dukuduku, Nkundusi, Zwenelisha)	5	9.6
Sub-total (1)	**146**	**93.6**
Other areas within KZN		
Richards Bay	6	3.8
Empangeni, Enseleni	-	-
Hlabisa, Nongoma	1	0.6
Sub-total (2)	**7**	**4.5**
Other areas outside KZN		
Johannesburg, Kempton Park, Midrand, Pretoria	3	1.9
Sub-total (3)	**3**	**1.9**
TOTAL (ALL EMPLOYEES)	**156**	**100**

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SECTION 2: HUMAN RESOURCES DEVELOPMENT (HRD) PROGRAMMES – REGULATION 46 (b) (i)

SECTION 2: HUMAN RESOURCES DEVELOPMENT PROGRAMMES

Tendele Mining is committed to the development of its employees and communities in compliance with the primary objective of human resource development, which is to ensure the development of requisite skills in respect of AET, learnerships/apprenticeship, bursaries, artisans training, management development and other training initiatives reflective of the demographics as defined and aligned to the Mining Charter III, 2018. The approach is thus geared towards the development of employee capabilities that will enhance performance, staff promotion and staff retention.

2.1. Compliance with the skills development (SD) legislation

Tendele Mining is not accredited with the Sector Education and Training Authority (SETA). However, it pays skills levy to the Mining Qualifications Authority (MQA) SETA. The Company's Skills Development Levy number is **L4907689885**. The Mine outsources its training to accredited service providers and submits its annual workplace skills plan and reports to the MQA SETA.

2.2. Skills Development Plan

Tendele Mining skills analysis is illustrated by the workforce education level depicted in the table below. It should be noted that majority of the Mine's workforce managed to acquire the relevant qualifications in the previous SLP's hence a lower number of people to be trained. This is also as a result of the lower number of employees the Mine currently has as compared to the previous years. Despite this and the challenges it faces, the Mine will continue to offer targeted employees various skills programmes as explained below including Adult Education and Training.

2.3. Education levels of the workforce

Mining companies are required to assist their employees to attain a minimum level of education of Grade 12/NQF level 4. At the time of submitting this SLP, Tendele had no employees who had no schooling qualification. This could be attributed to the fact that the Mine needed skilled employees to operate and start up the Mine. Table 4 depicts the state of the employees levels of qualifications.

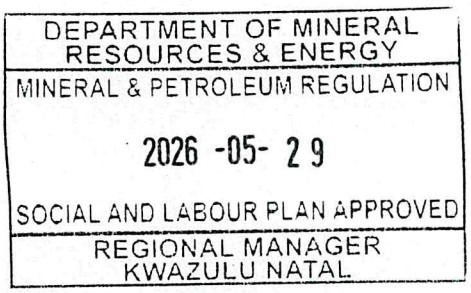


Table 4: Workforce education level

EDUCATIONAL LEVELS	Tendele	TOTAL
No Qualifications	-	-
AET 0 Gr 1-2	5	5
AET 01 Gr 3-4	4	4
AET 02 Gr 5-6	3	3
AET 03 Gr 7-8	14	14
TOTAL	**26**	**26**
BELOW NQF LEVEL 1 (AET L4)		
AET 04 Gr 9 NQF 01	12	12
TOTAL	**12**	**12**
General/Further Education		
N 1 (gr 10) NQF 02	11	11
N 2 (gr 11) NQF 03	19	19
N 3 (gr 12) NQF 04	68	68
TOTAL	**98**	**98**
Higher education		
Diploma/Certificate NQF 05-07	14	14
Degree/ High. Diploma NQF 08	2	2
Honours/ Master's degree NQF 09	4	4
Doctorates/Post Grad NQF 10	0	0
TOTAL	**20**	**20**

2.4. Adult Education and Training (AET) Plan

It so transpired that 12 employees have less than AET 3 and they are all in core positions, which makes classes very difficult to handle in the absence of a fulltime AET instructor. AET training opportunity will also be offered to community members from the local area. **Tables 5 and 6** show planned intake and budget of AET learners respectively for the next five (5) years (2026 - 2030).

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Table 5: AET – Employees

AET TRAINING – EMPLOYEES						
PROGRAMME	2026	2027	2028	2029	2030	TOTAL
AET L1	0	0	4	0	0	4
	R0	R0	R26 000	R0	R0	R26 000
AET L2	0	0	0	4	0	4
	R0	R0	R0	R26 000	R0	R26 000
AET L3	0	0	0	0	4	4
	R0	R0	R0	R0	R26 000	R26 000
AET L4	0	0	0	0	0	0
	R0	R0	R0	R0	R0	R0
TOTAL	0	0	4	4	4	12
BUDGET(R)	R0	R0	R26 000	R26 000	R26 000	R78 000

The Table below outlines the Community AET programme. A total of twenty-four (24) community members will be assisted by the Mine to acquire an AET qualification.

Table 6: AET – Communities

AET TRAINING – COMMUNITIES						
PROGRAMME	2026	2027	2028	2029	2030	TOTAL
AET L1	0	0	8	0	0	8
	R0	R0	R52 000	R0	R0	R52 000
AET L2	0	0	0	8	0	8
	R0	R0	R0	R52 000	R0	R52 000
AET L3	0	0	0	0	8	8
	R0	R0	R0	R0	R52 000	R52 000
AET L4	0	0	0	0	0	0
	R0	R0	R0	R0	R0	R0
TOTAL	0	0	8	8	8	24
BUDGET(R)	R0	R0	R52 000	R52 000	R52 000	R156 000

2.5. Hard-to-fill vacancies (Critical and scarce skills)

Tendele Mining Hard-to-fill (HTF) vacancies, also critical and scarce skills, are in line with the MQA's Skills Sector Plan (2020-2025). These are skills that cannot be filled within twelve (12) months or take longer for the Mine to fill. The Table below outlines the Mine's HTF vacancies and they inform the skills development programmes the Mine will embark on. Some of the occupations require AET as an entry point.

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Table 7: Hard-to-fill vacancies

OCCUPATIONAL LEVELS	JOB TITLE	REASON FOR BEING UNABLE TO FILL THE VACANCY
Professionally qualified	Environmental Specialist	Lack of locally competent candidate, high salary expectations, lack of relevant qualifications and experience. Remoteness of the area
	Mechanical Engineering	Lack of locally competent candidate, high salary expectations, lack of relevant qualifications and experience. Remoteness of the area.

2.6. Core skills training

The Mine continued to maintain a target of HDSA's in Core and Critical Skills at 60% of total Core Skills in line with the Mining Charter III requirements.

Learnerships, internships, bursaries and HDSA management training will be offered to address the core and hard-to-fill skills required by the Mine for the next five years.

2.6.1. Learnerships/Apprentices

If Tendele would have allocation for learnerships, the candidates would be taken to a training institution for the correct and necessary exposure. Training normally lasts for an average of three years, but this cycle of the SLP will not have any allocation as per the Table below:

Table 8: Learnerships – Employees (Internal)

LEARNERSHIP (INTERNAL)						
PROGRAMME	2026	2027	2028	2029	2030	TOTAL
Fitting (36 Months)	0	0	1	1	1	1
	R0	R0	R157 150	R157 150	R157 150	R471 450
Electrical (36 Months)	0	0	0	0	0	0
	R0	R0	R0	R0	R0	R0
Diesel Mechanical (36 Months)	0	0	0	0	0	0
	R0	R0	R0	R0	R0	R0
TOTAL	0	0	1	1	1	1
BUDGET(R)	R0	R0	R157 150	R157 150	R157 150	R471 450

Tendele plans to enrol one candidate for fitting programme set to last for three years in a reputable institution.

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Table 9: Learnerships – Communities (external)

LEARNERSHIP (COMMUNITY)						
PROGRAMME	2026	2027	2028	2029	2030	TOTAL
Fitting (36 Months)	0	0	0	0	0	0
	R0	R0	R0	R0	R0	R0
Diesel Mechanical (36 Months)	0	0	1	1	1	1
	R0	R0	R139 150	R139 150	R139 150	R417 450
Boiler Making (36 Months)	0	0	0	0	0	0
	R0	R0	R0	R0	R0	R0
TOTAL	0	0	1	1	1	1
BUDGET(R)	R0	R0	R139 150	R139 150	R139 150	R417 450

Tendele plans an enrolment of one diesel mechanical candidate in a three-year learnership programme.

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2.6.2. Internship

The mine intends having one candidate for two years as an intern in the natural sciences and environmental studies.

Table 10: Internship

INTERNSHIP						
PROGRAMME	2026	2027	2028	2029	2030	TOTAL
Procurement	0	0	0	0	0	0
	R0	R0	R0	R0	R0	R0
Natural sciences and environmental management studies	0	0	0	1	1	1
	R0	R0	R0	R90 000	R90 000	R180 000
Human Resource	0	0	0	0	0	0
	R0	R0	R0	R0	R0	R0
TOTAL	0	0	0	1	1	1
BUDGET(R)	R0	R0	R0	R90 000	R90 000	R180 000

2.6.3. HDSA Management Development Programme

The Mine will develop three (3) HDSA's at management level as indicated in the Table below. They will be placed in a talent pool that will go through a Management Development Programme which covers aspects of management.

Table 11: Management Development Programme

HDSA MANAGEMENT DEVELOPMENT PROGRAMME						
PROGRAMME	**2026**	**2027**	**2028**	**2029**	**2030**	**TOTAL**
Employees	0	0	1	1	1	3
	R0	R0	R45 000	R45 000	R45 000	R135 000
TOTAL	**0**	**0**	**1**	**1**	**1**	**3**
BUDGET(R)	**R0**	**R0**	**R45 000**	**R45 000**	**R45 000**	**R135 000**

3. Women- in- Mining (WIM)

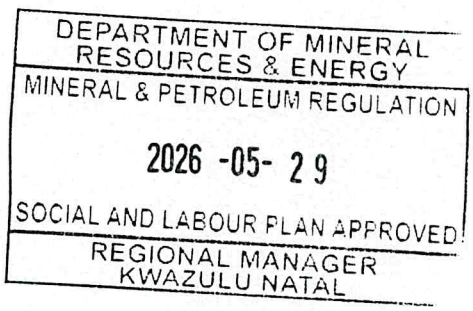
For purposes of this section, mining positions are regarded as any positions directly involved in the mining and beneficiation of coal/anthracite. It will include positions in exploration, blasting, mining, loading, and hauling, plant processing and laboratory analysis. It will exclude positions in support functions, i.e. administration, engineering, plant cleaners. Tendele undertakes to aim for a level of 10% on Women-In-Mining by 2028 and maintaining that level there-after.

Table 12: Women in mining target

Women in Mining	2026	2027	2028	2029	2030
	Actual	Plan	Plan	Plan	Plan
	10%	10%	10%	10%	10%

4. Career Path Plan

Tendele Mining's main operations comprise of mining, production, and engineering. Tendele Mining has developed a career path plan as per requirement stated in Regulation 46(b)(ii) that will guide employees in the route they can follow to be promoted to higher positions within the mine. The diagrams below show how employees from entry level will be developed and acquire experience in the different occupational levels.



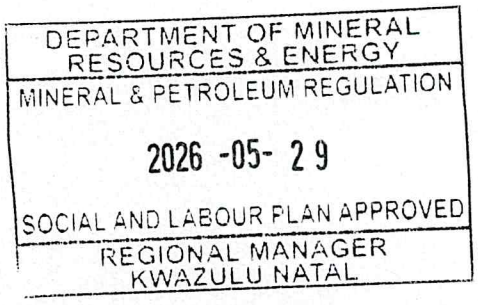
PRODUCTION:

	Occupation level	Position	Requirements	Duration
PLANT PRODUCTION	Senior Management	Process Manager	BSc/BEng/BIng, Btech/T4/NHD, GDE, 10 years plant experience or more. MDP	10 years
	Middle Management	Plant Foreman	Grade 12; NQF 5 qualification, Computer literate, Senior Supt qualifications, Advanced Coal Prep	5 or more years
	Middle Management	Shift Supervisor	Grade 12; Maths & Science, Supervisory level, Computer literate, 3 years or more plant experience, Coal Prep training	3 years
	Supervisory & Skilled	Junior Shift Supervisor	Grade 12; Maths & Science, Computer literate, 3 years or more plant experience, Coal Prep training, driver's license	3 or more years
	Supervisory & Skilled	Control Room Operator	Grade 12; Computer literate, 3 years or more plant experience	3 years
	Supervisory & Skilled	Senior Plant Operator DMS	Grade 12; Computer literate, 2 years plant experience, total process competent	2 years
	Semi-Skilled	Plant Operator	Grade 12; English and Numeracy; 1 year relavant work experience,	1 years
	Unskilled	General Worker	Grade 12; English and Numeracy;	1 years

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MINING:

	Occupation level	Position	Requirements	Duration
MINING	Senior Management	Mining Operations Manager	BSc/BEng/BIng, Btech/T4/NHD (NQF7/8): GDE, 10 years experience or more; MDP/MBA	10 years
	Middle Management	Operations Superintendent	Ndip-T3/S4; N- Diploma N6 (NQF 6), Supervisory level, GCC; 5 years work experience	5 or more years
	Middle Management	Pit Superintendent	N4/N5/N6/S4; NQF 5/Diploma, Blasting Certificate; Supervisory level, Computer literate, 3 years or more mining experience	3 years
	Supervisory & Skilled	Foreman	Grade 12/NQF 4;Maths & Science; Blasting Assistant, Computer literate, 3 years or more mining experience	3 or more years
	Supervisory & Skilled	Supervisor	Grade 12/NQF 3/4; Competent A; Basic computer literacy; 3 years or more mining experience	3 years
	Supervisory & Skilled	Operator (Dozer, Excavator, Grader)	Grade 12; Computer literate; 2 years work experience; competence in 2 machines	2 years
	Semi-Skilled	Machine operator (ADT, Service Truck, WC)	Grade 12; English and Numeracy; Driver's license; 2 years relevant work experience,	2 years
	Unskilled	General worker	Grade 10/ABET 3/4; English and Numeracy;	2 years



ENGINEERING:

	Occupation level	Position	Requirements	Duration
ENGINEERING	Senior Management	Engineer	BSc/BEng/BIng, Btech/T4/NHD (NQF7/8): GCC; MDP/MBA; 10 years experience or more	10 years
	Middle Management	Engineering Superintendent	Ndip-T3/S4; N- N Diploma N6 (NQF 6), Trade test; 5 years or more work experience	5 or more years
	Middle Management	Master Artisan (Technician, Instrument mech; specialist position/Planner)	Trade Test; Grade 12/NQF 4; N2/N3; 3 years experience	3 years
	Supervisory & Skilled	Artisan	Trade Test; Grade 12/NQF 4; N2/N3; 3 years or more mining experience	3 or more years
	Supervisory & Skilled	Junior Artisan	Grade 12/NQF 3/4; N2/N3; Trade Test as artisan; 2 years or more work experience	2 years
	Semi-Skilled	Handyman	Grade 12; 2 years work experience;	2 years
	Semi-Skilled	Engineering Assistant	Grade 12; ABET 4; English and Numeracy; Plant standard; 1 year work experience.	1 years
	Unskilled	General Worker	Grade 12/ABET 4; English and Numeracy; Plant standard	2 years

5. Mentorship Programme

All identified core skills training which includes learnerships/apprenticeship, internships, management training will have candidates subjected to mentorship programme as indicated below. The Mentorship programme will be formalised through agreements entered into between the mentor and protégée.



Table 13: Mentorship programme

TRAINING PROGRAMME WITH CAREER PATH	OCCUPATION	POSITION (STARTING FROM)	CURRENT TRAINING	TARGET POSITION WORKING TOWARDS	DURATION
Learnership/ Apprenticeship	Fitter	Student	Relevant workplace exposure	Artisan/ Engineering	2 years
Internship	Engineering and Sciences	Intern	Workplace exposure to gain experience	Engineering and Junior Management	2 years
Management Development Programme	Management	Junior Managers	Management development for the role	Progression on Management role	1 year

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6. Bursary Plan

Bursaries will be offered to qualifying employees. One bursary opportunity will have been offered to employees by the end of the year 2030 wherein studies will be conducted online.

Table 14: Bursaries Internal – Employees

BURSARY INTERNAL (EMPLOYEES)						
PROGRAMME	2026	2027	2028	2029	2030	TOTAL
Mining and Engineering	0	1	1	1	0	1
	R0	R125 900	R125 900	R125 900	R0	R377 700
TOTAL	0	1	1	1	0	1
BUDGET(R)	R0	R125 900	R125 900	R125 900	R0	R377 700

The External bursary to be offered is outlined in the Table below. One (1) bursary candidate will be supported through university for a period of three years.

Table 15: Bursaries External – Communities

BURSARY EXTERNAL (COMMUNITY)						
PROGRAMME	2026	2027	2028	2029	2030	TOTAL
Natural sciences and environmental management studies	0	0	0	0	0	0
	R0	R0	R0	R0	R0	R0
Human Resources	0	0	1	1	1	1
	R0	R0	R167 900	R167 900	R167 900	R503 700
TOTAL	0	0	1	1	1	1
BUDGET(R)	R0	R0	R167 900	R167 900	R167 900	R503 700

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7. Employment Equity Plan

The Table below shows Tendele Mining's Employment Equity Status in accordance with the MCIII, 2018 requirements. The Amended MPRDA (2019) required 40% HDSA at management level. Tendele Mining's total number of employees in management position was 35 of which 30 were HDSA (86%). The Mine will maintain this compliance with a focus on Female HDSA development (Junior Management Level) in order to achieve compliance at that level. This will be done through:

- Career progression of HDSA over a five-year period and promotions when vacancies become available.

Table 16: EE Status Targets

The employment Equity data reflects the status of the Mine in September 2025 and as submitted to the Department of Labour for Employment Equity Reporting in January 2026. At date of submission, the Mine employed less than thirty (30) employees due to all mining being placed on a pause and the mine being under care and maintenance. The September 2025 statistics are however the most realistic reflection of employment requirements, should the Mine come back into operation.

Whilst the Mine is under care and maintenance, it is therefore not possible to commit to addressing current deviances from Mining Charter and sectoral targets, suffice to say that all deviances as reflected in the September 2025 numbers were statistically insignificant and revolved around no more than a single employee in all incidents where targets were not achieved. Targets will therefore be reviewed once the Mine is back in operation.

Mining Charter

As per schedule below, the target for females is not being met at Top Management level. The lack of available positions does not make it possible to meet this target. The Mine is however fully compliant with regards to HDSA's on Top Management level.

The Mine is partially compliant with regards to females on Snr Management level. When the Mine resumes, the element of females in senior management will be taken care of and improved.

The Mine is fully compliant on all other levels, both in terms of HDSA's and Females. Based on the statistical analysis above, the Mine will give preference to the appointment of HDSA females as this is where targets are not being met.

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EMPLOYMENT EQUITY ANALYSIS – MINING CHARTER																						
Occupational Level/ Category	ACTUAL										%			MINING CHARTER III								
	Male				Female				Foreign Nationals		HDSA MALE	HDSA FEMALE	TOTAL HDSA	TARGET		TARGET WEIGHT		ACHIEVEMENT		ACHIEVEMENT WEIGHT		Level of Compliance	
	A	C	I	W	A	C	I	W	M	F				HDSA	FEMALE	HDSA	FEMALE	HDSA	FEMALE	HDSA	FEMALE	HDSA	FEMALE
Board & Top Management	1	0	0	1	0	0	0	0	0	0	50%	0%	50,0%	50%	20%	2%	2%	50%	0%	2%	0%	Full	None
Snr Management	2	0	2	2	1	0	0	0	0	0	57,1%	14,3%	71,4%	60%	25%	3%	3%	71%	14%	3%	2%	Full	Partial
Professionally Qualified and experienced specialists and mid-management	1	0	2	4	2	0	1	1	0	0	27,3%	36,4%	63,6%	60%	25%	2%	2%	64%	36%	2%	2%	Full	Full
Skilled, technical and academically qualified, junior management, supervisors, foremen and superintendents	13	0	0	2	2	0	1	2	0	0	65%	25%	90%	70%	30%	2%	2%	90%	25%	2%	2%	Full	Full
Persons with Disabilities	1	0	0	1	0	0	0	0	0	0	2,4%			1,5%		2,0%		2,4%		2,0%			
Core & Critical Skills	136	1	2	4	19	0	0	0	0	0	98%			60,0%		3,0%		97.5%		3,0%		Full	
Women in Mining					19				0	0	13.3%			20,0%				13.3%		2%		Partial	

Employment Equity

The Mine's EE status, when measured against the Sectoral Targets, reflects a very similar position than to the Mining Charter targets, namely that:

The deviance is statistically insignificant and mostly reflects a shortfall of one (1) employee.

Deviance on all levels, except Professionally Qualified and Mid-Management, are related to HDSA females.



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EMPLOYMENT EQUITY ANALYSIS																							
Occupational Level/ Category	ACTUAL										SUMMARY				%			EMPLOYMENT EQUITY					
	Male				Female				Foreign Nationals		White Male	HDSA Male	Female	TOTAL	HDSA MALE	HDSA FEMALE	TOTAL HDSA	TARGET - 2030			VARIANCE		
	A	C	I	W	A	C	I	W	M	F								HDSA Male	FEMALE	TOTAL	HDSA Male	FEMALE	TOTAL
Board & Top Management	1	0	0	1		0	0	0	0	0	1	1	0	2	50,0%	0,0%	50,0%	33,1%	24,4%	57,5%	16,9%	-24,4%	-7,5%
Snr Management	2	0	2	2	1	0	0	0	0	0	2	4	1	7	57,1%	14,3%	71,4%	36,2%	28,2%	64,5%	20,9%	-13,9%	6,9%
Professionally Qualified and experienced specialists and mid-management	1	0	2	4	2	0	1	1	0	0	4	3	4	11	27,3%	36,4%	63,6%	43,2%	34,4%	77,6%	-15,9%	2,0%	-14,0%
Skilled, technical and academically qualified, junior management, supervisors, foremen and superintendents	13	0	0	2	2	0	1	2	0	0	2	13	5	20	65,0%	25,0%	90,0%	49,8%	36,9%	86,7%	15,2%	-11,9%	3,3%
Semi-skilled and discretionary decision making	121	1	0	0	17	0	0	0	0	0	0	122	17	139	87,8%	12,2%	100,0%	46,0%	51,0%	97,0%	42%	-39%	3%
Unskilled and defined decision making	8	0	0	0	6	0	0	0	0	0	0	8	6	14	57,1%	42,9%	100,0%	46%	51,0%	97,0%	11%	-8%	3%
Total Permanent	146	1	4	9	28	0	2	3	0	0	9	151	33	193	78,2%	17,1%	95,3%						
Temporary employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	0%	0%						
Grand Total	146	1	4	9	28	0	2	3	0	0	9	151	33	193	78%	17%	95%						
Persons with Disabilities	0	0	0	1	1	0	0	0	0	0	2			2	1,0%			3%			2%		

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SECTION 3: MINE COMMUNITY DEVELOPMENT – REGULATION 46 (c)

SECTION 3: LOCAL ECONOMIC DEVELOPMENT PROGRAMME

3.1 Social and economic baseline information of Tendele Mining community (Regulation 46 (c) (i))

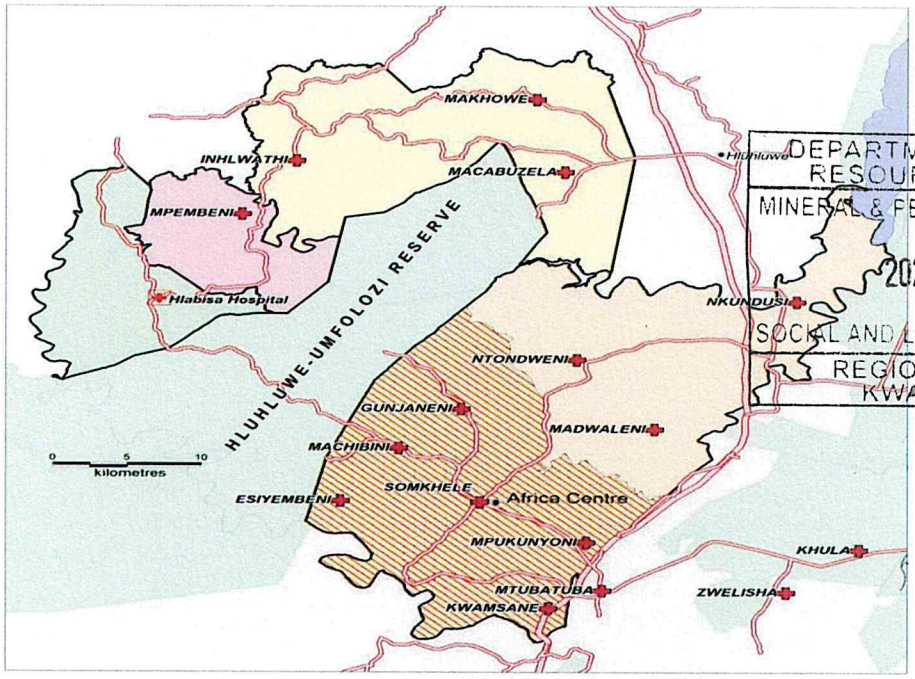
Tendele Mining falls under the jurisdiction of the Mtubatuba Local Municipality. The Municipality's published its Review IDP 2023-2024 (extract attached) from where the identified project was taken. Not much of the social and economic information had changed. The Municipality Profile remained relatively the same as it was the case illustrated by Stats SA 2022 Survey information.

The Municipality has twenty (20) wards. With the Municipality located in the North East of KwaZulu Natal, the municipality is bordered by the sea in the east, nature reserves in the north and west. The N2 road brings opportunities to the Municipality by linking it to the major city of Richards Bay and eThekwini Metropolitan, Mpumalanga and the SADC countries of Swaziland and Mozambique.

It is the plan of the Municipality to develop the R618 road as part of the Renaissance Programme of the Department of Roads, linking St Lucia coast with the Cultural Heritage Corridor of Nongoma and Ulundi through Hlabisa, unlocking development potential of tourism and commerce in Mtubatuba.

The Maps of Mpukunyoni area which falls under the Mtubatuba Local Municipality jurisdiction is shown hereunder:

Map 2: Mtubatuba Municipality Area also Mpukunyoni Traditional Authority area



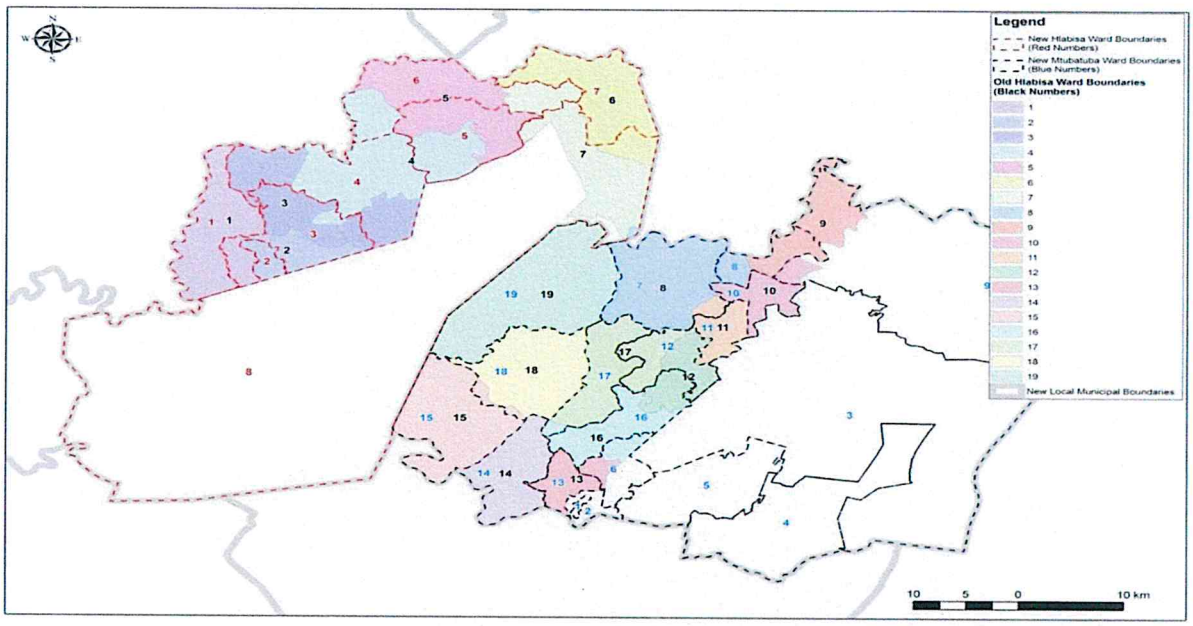
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The Mtubatuba Municipality is one of the five local municipalities within Umkhanyakude District. It is estimated to have a total population of 202 176 (Community Survey, 2016) and 41 793 households,

with a 1.89% growth rate. The municipality is the most urbanised municipality within the Umkhanyakude District, comprising of Mtubatuba Town and St Lucia as its main towns. Mtubatuba local municipality suggests that in 2021 the population was approximately 212,837, while in 2025 it is likely to reach approximately 229,390.

Mtubatuba is the urban centre of the municipal area and serves as the administrative head offices of the Mtubatuba Municipality.

Map 3: Mtubatuba Municipality Wards



3.2 Status of basic services provision by the Municipality

3.2.1 Road infrastructure

The provision of roads in Mtubatuba area seems to be fairly distributed within acceptable levels, as the bigger portion of the area enjoys proximity to the N2 connecting the municipality with the Northern and Southern regions. The R618[1] also connects the municipal area with areas in the North West such as Hlabisa, Nongoma and Ulundi which are major economic towns in the Zululand region of KwaZulu Natal. The R618 route on which the Mine is also located, connects the environmental hubs of the Isimangaliso Wetlands[2] Park in St Lucia in the East and the Umfolozi-Hluhluwe Game Reserve in the West. This corridor boosts the economy of the Mtubatuba municipal area through the influx of tourists shuttling between St Lucia and the game reserve, and inland areas such as Nongoma and Vryheid. Connecting roads seem to be fairly well established though they are mainly gravel, and therefore need regular maintenance, particularly during rainy seasons. These roads, if well maintained, enhance movement between rural areas and major towns in the municipality.

[1] Also regarded as a primary corridor
[2] Also known as Isimangaliso World Heritage Site

The Mine will contribute to the upgrade of an access road in area 5. More details are provided below.

3.2.2 Electricity provision

There seems to be an improvement as far as the provision of electricity is concerned in the municipality. Access to electricity was reported to be at 85.7% (STATSSA 2016 Community survey). Despite this improvement in electricity provision the electricity supply is said to be oversubscribed and as a result, outages are a common occurrence. Lack of maintenance and illegal connections have also been reported. It is these challenges that may hamper further economic infrastructure development in the area.

The Mine will therefore not contribute to the provision of electricity to households.

3.2.3 Water provision

Mtubatuba Municipality is not a Water Service Authority; however, the Municipality has been declared as a disaster area due to drought coupled with challenges that are being experienced by uMkhanyakude District Municipality.

Mtubatuba Local Municipality largely depends on the Pongola-uMhlathuze Water Management Area (WMA) for its water supply. Water reticulation in most areas of Mtubatuba is reported to be in place. However, it is reported that water sources are non-existent or without water. Also, most water schemes are reported to be non-functional, and as a result water cuts are a common occurrence. Communities in some of the rural areas resort to making use of untreated water from rivers, boreholes and ponds, which they sometimes share with animals.

The municipal area is currently stressed due to water oversubscription in the northern parts of the municipality. Mtubatuba thus must depend on water from the Umfolozi River. Due to the prolonged water challenges, the Mine finds itself faced with the unavoidable need for drinking water supply in and around Mpukunyoni.

Due to the inability of the local municipality/government to supply water to the community, the mine provides water to the community, benefitting some 5000 people, at a monthly cost of R210 000 per month. This is by no means an obligation of the mine, but rather as a gesture of goodwill to assist the community.

3.2 Key economic activities and needs of the area in which mining operations take place (Regulation 46 (c) (ii))

The following are key economic activities and needs of the area where the Mine operates:

- Water crisis remains a challenge over the years
- Low education level hence the need to intervene at early childhood level

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- Unemployed youth, with the majority being woman, remains a challenge in the area
- Lack of skills especially Mining related
- Few SMME's and low economic activity

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3.3 Key focus areas with high impact potential within the Municipality

The Municipality has the following potential areas with high economic impact:

- **Agriculture**

  Agricultural activities are the main source of livelihood for households. 80% of the land presents constraints to development due to the environment either being protected, and reserved for biodiversity conservation or arable land with severe limitations to agriculture. Despite availability of land for agricultural activities which makes up 20% of the available land, the lack of water poses a challenge in honing into this opportunity. Therefore, agriculture will be limited to household and subsistence than for commercial purpose.

- **Education**

  The low level of education qualification in Mtubatuba results in joblessness affecting mostly youth. The number of children finishing school is far lower than the one's starting school. This is due to a large number of school drop outs. The quality of learning and teaching may also impact the matric performance.

  A large number of creches / ECD centers have been listed in the Municipality's IDP, though many remain unfunded. There is a high potential of improved Matric outcomes if children are stimulated at an early age.

  It is with this view that the Mine will assist the ECD centers with resources that will assist to improve the quality of learning and teaching

- **Mining**

  Coal resources are by far the largest mineral resource in the Municipality. Tendele Mining is reported to have one of the largest open pit mineable anthracite reserves in the country, at 22 million tons, with a further 23,000 hectares under exploration. The Mine created over 1600 job opportunities which at the time of this SLP had reduced drastically due to inability to access new areas for mining, impact of Covid-19, and the dwindling economic conditions of the coal market.

- **Tourism –** The Municipality's plan as mentioned above, is to develop the R618 road as part of the Renaissance Programme of the Department of Roads, linking St Lucia coast with the Cultural Heritage Corridor of Nongoma and Ulundi through Hlabisa. Thus, unlocking development potential of tourism and commerce in Mtubatuba. The impact of Covid-19 on Mtubatuba has led to a decline in tourists visiting the area due the series of lockdowns imposed to contain the spread of the pandemic.

  The Mine will not be able to support any initiative related with tourism.

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3.4 Impact of the Tendele Mining operation on the area

The following have been the impact of the Mine on the area:

- **Relocation**

  Where the Mine has identified an area for mining purpose, the Mine follows the requirements of the DMPR's Resettlement Guidelines in line with the mine's policy for relocation. The Mine ensures that relocation does not leave the community worse off. The Mine continues to engage communities in the areas of Emalahleni and Ophondweni for resettlement and access to the area for mining. Once these two areas are secured, resettlement negotiations will commence in Mahujini / Amajonjoni area . The negotiations have been going on for over eight years now. The Mine had to retrench employees in June 2022 due to inability to mine in the area.

- **Dust, noise and vibrations due to blasting**

  Mining activities come with dust, noise and blasting. The Mine follows international standards outlined in its policies to mitigate the nuisance because of blasting.

  The issues of dust, noise and vibrations are constantly monitored to ensure that they do not exceed acceptable levels. Currently there are monitors within the mine operations as well as outside of the perimeter fence that monitor dust levels on a continuous basis. Each mining blast is also monitored using strategically placed seismographs to monitor noise and vibration remotely by a registered 3rd party. A complaint procedure has been put in place with the mine responding to each complaint accordingly.

- **Community jobs, SLP, relocation, BEE Trusts and Procurement**

  Tendele is uniquely positioned to contribute significantly to regional economic development. As referenced in the Mine Works Programme, and the following benefits are the result of operations at Tendele:

  - At least 80% of employees will be sourced from the local community
  - Approximately 1 215 people will be employed directly and indirectly because of the operations at Tendele.

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- Based on a 1:15 dependency ratio, approximately 18 225 people will benefit
- An estimated R152 million will be spent on salaries annually (R1,37 billion over a 9-year LOM) because of the operations at Tendele.
- Approximately 90 local entrepreneurs will be contracted
- An estimated R350 million will be spent on local procurement annually (R3.2 billion over a 9-year LOM) because of the operations at Tendele.

As a result of Tendele's operations, a substantial contribution to the economic development in the area, R5 billion will be spent in the community during the remaining life of mine.

The actual estimated SLP spent is a component of this expenditure as outlined in the table below.

	No. of people	Salaries	Procurement	TOTAL
Tendele	**288**	**R 110 000 000**	R -	**R 110 000 000**
Plant Processing				
Plant - Logistics	54	R 9 639 168	R -	**R 9 639 168**
Plant - Operations	122	R 32 012 090	R -	**R 32 012 090**
Varganet Operations	316	R -	R 243 580 464	**R 243 580 464**
Lab	34	R -	R 11 578 695	**R 11 578 695**
Survey	5	R -	R 3 766 260	**R 3 766 260**
Sub Total	**531**	**R 41 651 258**	**R 258 925 419**	**R 300 576 677**
Tendele				
Drill - dry	16	R -	R 33 559 286	
Blast - Salaries only	2	R 600 000	R -	**R 600 000**
Alpha (security)	102	R -	R 15 548 664	**R 15 548 664**
Community	276	R -	R 42 811 210	**R 42 811 210**
Sub Total	**396**	**R 600 000**	**R 91 919 160**	**R 92 519 160**
Grand Total	**1215**	**R 152 251 258**	**R 350 844 579**	**R 503 095 837**
LOM @ 9 years		**R 1 370 261 320**	**R 3 157 601 213**	**R 4 527 862 533**

SLP				**R 17 512 347**
Trusts				**R 22 121 595**
Relocation costs				**R 372 646 670**
TOTAL				**R 4 940 143 145**

Included the R5 billion expenditure above, is the supply of potable water to the community, benefitting some 5000 people, at a cost of R210 000 per month. This is a gesture of goodwill to assist the community, due to the inability of the local municipality/government to supply water to the community and is by no means an obligation of the mine.

In addition to the planned R5 billion in benefits to the community over the LOM, the following, not included in the SLP, will also benefit the community:

- R19 million to upgrade the P495 from the R618 to Ophondweni. This upgrade to the road will be of great use to the community and will provide improved accessibility to the Area 5 Access Road contained in the SLP.

3.5 Measures to address housing and living conditions

Mechanism to address employee housing

Section 1 (vi) of the National Housing Act sets conditions for the provision of human settlements. The conditions are, among others, that public and private residential properties should be "habitable, stable and sustainable" to ensure viable households and communities. This calls for the eradication of slum dwellings and informal settlements. The Act also requires that housing should allow for "convenient access to economic opportunities and to health, educational and social amenities". This integrated approach thus calls for human settlement to have access to amenities, among others, education, sports, health, and welfare for the communities. The mandate's vision on housing is that of vibrant, lively, and crime-free communities.

Tendele Mining has no hostels for its employees. Instead, the Mine encourages homeownership for its employees so that they can live with their families. To achieve this objective, the Mine provides employees with a housing allowance.

Mechanism to address nutrition

As indicated, the Mine has no hostels. The employees are therefore not provided with meals except that they buy their own meals from local vendors located outside the Mine's gate. These suppliers have been trained and encouraged to comply with hygiene requirements and sell healthy meals to employees. The mine will explore even better ways of supporting the hawkers who sell food on daily basis to employees.

3.6 Infrastructure and poverty eradication projects (Regulation 46 (c) (iv)):

To be able to meet its social responsibility and development of communities around the mine areas, Tendele Mining identified community needs which are listed in **Table 18** below. The needs show both the need for infrastructure and the need for education services. These needs are followed by appropriate interventions in the form of development projects, which the Mine will implement in the next five (5) year SLP period (2025-2029).



Table 17: Community needs in the mining community

General	Specific	Type of need	Municipality
Infrastructure	Access Road Construction	Refurbishment of the community access road in line with the acceptable local standards.	Mtubatuba Local Municipality
	Community hall	Construction of a community hall to assist in public gatherings.	Mtubatuba Local Municipality
Education	Early Childhood Development Infrastructure	Provision of new buildings to the identified ECD's to promote the culture of childhood learning.	Mtubatuba Local Municipality

The Mine will fund/support the projects as follows:

3.6.1 Access Road

With the planned mining activities in Area 5 (north of the current operations), there is a need to connect the community living in inaccessible parts of Area 5 with existing roads that the Mine constructed and extend it into the R618 road. This will result in the renewal of community access roads in Area 5. The road will be rehabilitated to ensure ease of access for homeowners, workers, and general community.

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Budget – R1,448 258

Number of kilometres in which construction will be done - 5km

Location - Area 5, Mpukunyoni

Beneficiaries - over 5000 community members within areas 4 & 5 will be able to access the regional road R618 to be able to reach amenities

Number of jobs that will be created - There will be 25 to 30 people over a period of eight months.

Exit Strategy - The road will be handed over to Inkosi Mtubatuba Local Municipality

3.6.2 Construction of a community hall in Mahujini.

The community of Mahujini struggles to have a decent gathering place when they have meetings, weddings tec. The challenge lies in the fact that the people of Mahujini meet under the trees even in rainy seasons.

Budget – R1,200,000

Location – Mahujini area

Beneficiaries – about 3500 people of Mahujini

Jobs to be created – 12-15 people will get employment for a period of 6-8 months

Exit Strategy – The community hall will be handed over to the local municipality, and to be utilised by the Traditional Authority.

3.6.3 Early Childhood Development (construction of new buildings in two identified creches)

The Early Childhood Development project is meant to provide new buildings in each creche ensuring a decent learning environment for the children that are housed in these creches.

Budget	- R3,200,000 for 2 ECD combined
Availability of land	- Existing schools/centres
Location and targeted beneficiaries	- Mpukunyoni area 4 and 5
Implementation quarterly plan	- See project plan below
Estimated number of learners (enrolment)	- 300 age 0-4yrsd
Exit strategy	- Centres will be handed over to the DOE

The following is the Summary of Community Projects with budgets:

Table 18: Summary of Community Projects

Community Development						
PROJECT	**2026**	**2027**	**2028**	**2029**	**2030**	**TOTAL**
ECD Infrastructure – Emalahleni	0.00	R800 000	R800 000	0.00	0.00	**1 600 000**
ECD Infrastructure - Ophondweni	0.00	0.00	0.00	R800 000	R800 000	**1 600 000**
Construction of the Mahujini Community Hall.	0.00	0.00	0.00	0.00	1 200 000	**1 200 000**
Access Roads refurbishment (5km)	0.00	600 000	600 000	248 258	0.00	**1 448 258**
Total	**0.00**	**1 400 000**	**1 400 000**	**1 048 258**	**2 000 000**	**5 848 258**

In addition to the projects listed above and through the operations of Tendele, R5 billion in benefits will flow to the community through employment, procurement, and relocation.

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Table 19: Proposed Mine Community Development Projects Plans

Project Plan – Access Road						
Project Name	Refurbishment of a portion of the community access road from Mthulasizwe School to Njojo sub area at Kwa-Myeki.			**Classification of project**		Infrastructure
Background	The access road normally used by the communities is in a bad and undrivable state thus making access to Kwa-Myeki a nightmare. This road is relied upon by the general community, working class and the school children. The project is mentioned in the IDP as a need for the communities.					
Geographical location of project	**District Municipality**	**Local Municipality**	**Village/ Township name**	**Project Start Date**		**Project End Date**
	Umkhanyakude District Municipality	Inkosi Mtubatuba Local Municipality	Kwa-Myeki via Mthulasizwe school	2027		2029
Output	**Key Performance Areas**	**Key Performance Indicator**	**Responsible Entity (including all role players)**	**Quarterly timelines and year 2027**	**Quarterly timelines and year 2028-2029**	**Budget**
	Tender Process, Contractor selection, Implementation, and hand over to the local Municipality.	Advertisement of the tender, site briefing meeting, contractor appointment, execution of the project and hand over to the authorities.	Municipality, Communities and the DMPR.	**Quarter 3:** Tender process to be initiated. Suitable contractor to be appointed after the site briefing. **Quarter 4:** Refurbishment of the access road as planned (project implementation) .	**Quarter 1-4 (2028):** Finalization of the road refurbishment **Quarter 1 (2029) :** Handover of the project.	**R1 448 258**
029)	**No. of jobs to be created**	**Male Adults**	**Female Adults**	**Male Youth**	**Female Youth**	**Comments**
Short Term	15	3	3	5	4	
Medium Term						
Long Term						
Beneficiaries	The community members of Kwa-Myeki					
Exit strategy:	The Mine & DMPR will hand over the project to the local authority.					

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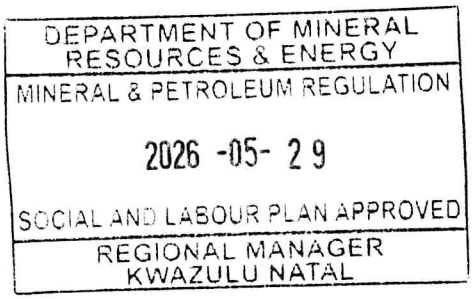
Project Plan – Construction of the Mahujini Community Hall							
Project Name	Construction of the Mahujini Community Hall			**Classification of project**		Infrastructure	
Background	The community members of Mahujini and surroundings lack a public meeting facility. They either request a local church or rather meet under the trees in case they must hold public meetings.						
Geographical location of project	**District Municipality**	**Local Municipality**	**Village/ Township name**	**Project Start Date**		**Project End Date**	
	Umkhanyakude District Municipality	Inkosi Mtubatuba Local Municipality	Mahujini	2030		2030	
Output	**Key Performance Areas**	**Key Performance Indicator**	**Responsible Entity (including all role players)**	**Quarterly timelines and year 2030**	**Quarterly timelines and year 2030**		**Budget**
	Agreement on the identified spot for the community hall. Construction of the community hall and handover to the local authorities.	Consensus on the spot for the hall. Preparation of the building plan. Appointment of the contractor. Build and complete in the stipulated period.	Municipality Traditional Council Mining Area Committee	**Quarter 1:** Finalization of building plans **Quarter 2:** Appointment of a suitable contractor after a procurement process. **Quarter 3:** Commencement of the construction of the community hall.	**Quarter 4:** Finalization of all construction and finishings according to the plan. Completion and hand-over of project.	Completion and hand-over of project	**R1 200 000**
Classification of jobs	**No. of jobs to be created**	**Male Adults**	**Female Adults**	**Male Youth**	**Female Youth**	**Comments**	
Short Term	20	4	4	7	5		
Medium Term							
Long Term							
Beneficiaries	The community of Mahujini						
Exit Strategy	The Mine together with the DMPR will hand-over the completed project to the local Municipality and the Traditional Council.						



Project Plan – Early Childhood Development Infrastructure- Emalahleni						
Project Name	Construction of a new building at Buhlebemfundo creche in Emalahleni (classroom, kitchen, pantry and covered play area).			**Classification of project**		Educational infrastructure
Background	One creche was identified as having improvement needs like roof refurbishment, additional class, educational accessories like outdoor playing equipment for children. Having acquired a department of education approved plan, Tendele plans to build section 1 of the structure.					
Geographical location of project	**District Municipality**	**Local Municipality**	**Village/ Township name**	**Project Start Date**		**Project End Date**
	Umkhanyakude District Municipality	Inkosi Mtubatuba Local Municipality	Kwa-Myeki isigodi-Emalahleni Sub Area	2027		2028
Output	**Key Performance Areas**	**Key Performance Indicator**	**Responsible Entity (including all role players)**	**Quarterly timelines and year 2027**	**Quarterly timelines and year 2028**	**Budget**
	Tender Process, Contractor selection, Implementation, and hand over to the DOE.	Advertisement of the tender, site briefing meeting, contractors' appointment, execution of the project and hand over to DOE.	DOE, Management of the Buhlebemfundo creche and the DMPR.	**Quarter 3:** Tender process to be initiated. Suitable contractor to be appointed after the site briefing. **Quarter 4:** Construction of the structure as identified and agreed.	**Quarter 1:** Construction of the structure as identified and agreed. **Quarter 2:** Finalization of the construction and all necessary finishings. **Quarter 3:** Handover of the project.	**R1 600 000**
Classification of jobs	**No. of jobs to be created**	**Male Adults**	**Female Adults**	**Male Youth**	**Female Youth**	**Comments**
Short Term	10	3	1	3	3	
Medium Term						
Long Term						
Beneficiaries						
Exit Strategy	The Mine together with DMPR will hand over the projects to the department of Education.					

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Project Plan – Early Childhood Development Infrastructure- Ophondweni						
Project Name	Construction of a new building at Siyaqhubeka creche in Ophondweni (classroom, kitchen, pantry and covered play area).			**Classification of project**		Educational infrastructure
Background	One creche was identified as having improvement needs like roof refurbishment, additional class, educational accessories like outdoor playing equipment for children. Having acquired a department of education approved plan, Tendele plans to build section 1 of the structure.					
Geographical location of project	**District Municipality**	**Local Municipality**	**Village/ Township name**	**Project Start Date**		**Project End Date**
	Umkhanyakude District Municipality	Inkosi Mtubatuba Local Municipality	Ophondweni	2029	2030	
Output	**Key Performance Areas**	**Key Performance Indicator**	**Responsible Entity (including all role players)**	**Quarterly timelines and year 2029**	**Quarterly timelines and year 2030**	**Budget**
	Tender Process, Contractor selection, Implementation, and hand over to the DOE.	Advertisement of the tender, site briefing meeting, contractors' appointment, execution of the project and hand over to DOE.	DOE, Management of the Siyaqhubeka creche and the DMPR.	**Quarter 3:** Tender process to be initiated. Suitable contractor to be appointed after the site briefing. **Quarter 4:** Construction of the structure as identified and agreed.	**Quarter 1:** Construction of the structure as identified and agreed. **Quarter 2:** Finalization of the construction and all necessary finishings. **Quarter 3:** Handover of the project.	**R1 600 000**
Classification of jobs	**No. of jobs to be created**	**Male Adults**	**Female Adults**	**Male Youth**	**Female Youth**	**Comments**
Short Term	10	3	1	3	3	
Medium Term						
Long Term						
Beneficiaries						
Exit Strategy	The Mine together with DMPR will hand over the projects to the department of Education.					



3.7 Procurement Progression Plan

3.7.1 Procurement and Enterprise/Supplier Development

The following Table shows Tendele Mining Procurement Status of December 2021. The Mine will ensure its procurement is aligned with the requirements of MCIII, 2018 to achieve the indicated targets.

Table 20: Procurement progression targets

Measure		DMR MCIII Target & Weight	
Total procurement budget spent on goods and services: Procure 70% locally manufactured mining goods with a 60% local content	21% of total mining goods procurement budget must be spent on South African manufactured goods produced by Historically Disadvantaged Persons owned and controlled company (level 1-5 i.e. 50% and more Black Ownership).	21%	5%
	5% of total mining goods procurement budget must be spent on South African manufactured goods produced by women owned and controlled company or youth owned and controlled company.	5%	5%
	44% of total mining goods procurement budget must be spent on South African manufactured goods produced BEE compliant company (DTI: >26% an < 50% Black Ownership)	44%	5%
80% Services	50% of total service budget must be spent on services supplied by Historically Disadvantaged Persons owned and controlled company (level 1-5 with 50% and more Black Ownership).	50%	5%

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Measure		DMR MCIII Target & Weight	
	15% of total service budget must be spent on services supplied by women owned and controlled company.	15%	5%
	5% of total service budget must be spent on services supplied by youth owned and controlled company.	5%	5%
	10% of total service budget must be spent on services supplied by BEE compliant company (DTI: >26% an < 50% Black Ownership).	10%	5%

The above targets will be achieved through the following:

- Influence suppliers to comply with the BBBEE requirements and do business with compliant companies.
- Where feasible, participate in Supplier Development by supporting small businesses and sharing opportunities with them.

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SECTION 4: PROCESSES PERTAINING TO MANAGEMENT OF DOWNSCALING AND RETRENCHMENT

SECTION 4: MANAGEMENT OF DOWNSCALING AND RETRENCHMENT

4.1 Establishment of Future Forum

Tendele Mining Future Forum called Somkhele Bargaining Forum has been in operation since 2013 and in line with the statutory requirement of the MPRDA. With the recent downscaling of the Mine due to delayed expansion of the Mine in areas 4 and 5, the Mine retrenched employees in line with this structure and an agreed s189 (Large scale retrenchment through the Labour Relations Act in consultation with the CCMA) process.

The Somkhele Bargaining Forum played their role in providing participative governance at the workplace to ensure implementation and progressive monitoring of production, mine closure and implementation of the social and labour plan commitments.

4.2 Mechanisms to save jobs and avoid job losses and decline in employment

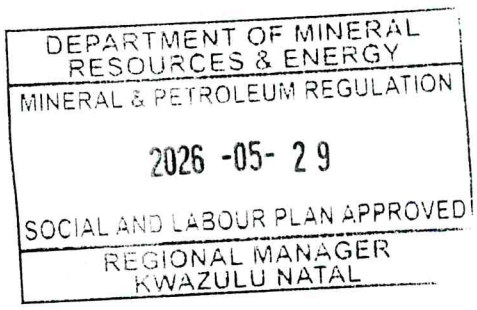
The prevailing economic conditions caused the profit revenue ratio of the operation to be less than 6% on average for a continuous period of 5 years, the Company embarked on the following process:

- Consultation process in terms of Section 52(1) of the Labour Relations Act with the Future Forum.
- Implementation of Section 189 of the Labour Relations Act.
- Notification to the Minerals and Mining Development Board (the Board)
- Complying with any ministerial directive and appropriate corrective measures.

Job losses and decline in employment, given the downstream negative effect on the social system's survival due to increased poverty and unemployment, has been unavoidable. However, the Mine will provide for 235 employees when mining commences in the future mining areas.

Unemployment remains a major issue with the socio-economic impact study indicating that the unemployment rate is much worse than the figures reported in the IDP.

The Mine will continue to ensure participative and consultative approach to avoid job losses. The Mine will jointly, with all stakeholders, continue to seek an alternative to retrenchment, establish a way forward, and manage downscaling and retrenchment in line with legislation and codes of good practice.



4.3 Mechanisms to provide alternative solutions and procedures for creating job security where job losses cannot be avoided

Should any section of the mine continue to be scaled down or cease operations, the following process, over and above internal job saving mechanisms, will be followed:

- Consultation process in terms of Section 52(1) of the Act.
- Implementation of Section 189 of the Labour Relations Act.
- Notification to the Board.
- Development and implementation of an effective communication strategy where employees, other affected parties (Traditional Authority, Izinduna, the municipality) will be informed of possible retrenchments.
- Alternative portable skills training forms part of the down scaling or closure plans to minimise the effect on its employees.

The mine will continue to support employees with portable skills acquisition outlined under section 2: Human Resource Development programmes.

4.4. Mechanism to ameliorate the social and economic impact on individuals, regions and economies where retrenchment or closure is certain

Affected employees will continue to be supported to redirect their careers by the provision of counselling sessions. In addition, comprehensive training through portable skills (shown in table below) and assessment services will be facilitated.

The Mine will follow the procedures for downscaling and retrenchment as set out by the Department of Employment and Labour in line with the Labour Relations Act requirements, as well as the mine's collective agreements. Industry wide networking and good stakeholder relations will be in place to manage downscaling and retrenchment processes, and these relationships will be maintained.

The obligation to inform the DMPR as required by the MPRDA, Section 52(1) will be adhered to and its directives will be honoured.

As a measure to avoid job losses and decline in employment, the Mine remains committed to provide portable skills training relevant to the area as agreed to with the union and listed under portable skills which are meant for employees on AET levels.

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4.4.1 Portable Skills - Employees

Portable skills training is meant to provide employees with skills that will enable them to be marketable at mine-closure. The Mine will embark on specific market related skills programme as outlined under Portable Skills. Employees who are on AET will benefit from the planned Portable Skills as indicated.

Table 21: Portable Skills – employees (AET)

PORTABLE SKILLS (EMPLOYEES)						
PROGRAMME	**2026**	**2027**	**2028**	**2029**	**2030**	**TOTAL**
Code 8,10 or 14 Licenses (subject to candidate being fit to drive the applicable vehicle)	0	2	1	1	1	5
	R0	R20 000	R10 000	R10 000	R10 000	R50 000
Novice Trackless mobile machines (subject to candidate being fit to drive the applicable vehicle)	0	1	2	1	1	5
	R0	R10 000	R20 000	R10 000	R10 000	R50 000
TOTAL	**0**	**3**	**3**	**2**	**2**	**10**
BUDGET(R)	**R0**	**R30 000**	**R30 000**	**R20 000**	**R20 000**	**R100 000**

Table 22: Community Skills Training

COMMUNITY SKILLS TRAINING						
PROGRAMME	**2026**	**2027**	**2028**	**2029**	**2030**	**TOTAL**
Code 8,10 or 14 Licenses (subject to candidate being fit to drive the applicable vehicle)	0	1	1	1	1	4
	R0	R80 728	R80 728	R80 728	R80 728	R322 912
Novice Trackless mobile machines (subject to candidate being fit to drive the applicable vehicle)	0	1	1	1	1	4
	R0	R80 728	R80 728	R80 728	R80 728	R322 912
Other (Should candidate not be fit to operate equipment - alternative training list will be made available)	0	1	1	0	1	3
	R0	R80 728	R80 728	R0	R80 728	R242 184
TOTAL	**0**	**3**	**3**	**2**	**3**	**11**
BUDGET(R)	**R0**	**R242 184**	**R242 184**	**R161 456**	**R242 184**	**R888 008**

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SECTION 5: FINANCIAL PROVISION – REGULATION 46 (e)

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SECTION 5: FINANCIAL PROVISION

Tendele Mining commits a total amount of **R9 155 566** over the next five years for this Review SLP as indicated below:

Table 23: The mine's 5-year SLP budget provision

Description	2026	2027	2028	2029	2030	TOTAL
Skills Development						
Abet Employees	0	0	4	4	4	12
	R0	R0	R26 000	R26 000	R26 000	R78 000
Abet Communities	0	0	8	8	8	24
	R0	R0	R52 000	R52 000	R52 000	R156 000
Learnership Internal	0	0	1	1	1	1
	R0	R0	R157 150	R157 150	R157 150	R471 450
Learnership External	0	0	1	1	1	1
	R0	R0	R139 150	R139 150	R139 150	R417 450
Internship	0	0	0	1	1	1
	R0	R0	R0	R90 000	R90 000	R180 000
Bursaries - Employees	0	1	1	1	0	1
	R0	R125 900	R125 900	R125 900	R0	R377 700
Bursaries - External	0	0	1	1	1	1
	R0	R0	R167 900	R167 900	R167 900	R503 700
Skills Training Communities	0	3	3	2	3	11
	R0	R242 184	R242 184	R161 456	R242 184	R888 008
HDSA Management Development	0	0	1	1	1	3
	R0	R0	R45 000	R45 000	R45 000	R135 000
Sub Total	**R0**	**R368 084**	**R955 284**	**R964 556**	**R919 384**	**R3 207 308**

Mine Community Development Projects						
LED Project	**2026**	**2027**	**2028**	**2029**	**2030**	**Total**
ECD Infrastructure (Emalahleni)	R0	R800 000	R800 000	R0	R0	R1 600 000
ECD Infrastructure (Ophondweni)	R0	R0	R0	R800 000	R800 000	R1 600 000
Mahujini Community Hall	R0	R0	R0	R0	R1 200 000	R1 200 000
Access Roads	R0	R600 000	R600 000	R248 258	R0	R1 448 258
Sub Total	**R0**	**R1 400 000**	**R1 400 000**	**R1 048 258**	**R2 000 000**	**R5 848 258**
Management of downscaling						
	2026	**2027**	**2028**	**2029**	**2030**	**Total**
Management of downscaling (Portable skills- Employees)	0	3	3	2	2	10
Sub Total	R0	R30 000	R30 000	R20 000	R20 000	R100 000
Grand Total	**R0**	**R1 798 084**	**R2 385 284**	**R2 032 814**	**R2 939 384**	**R9 155 566**

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SECTION 6: UNDERTAKING – REGULATION 46 (f)

SECTION 6: UNDERTAKING

I, the undersigned, Nathi Kunene, Business Development Director **of Tendele Mining** undertake on behalf of **Tendele Mining** to ensure compliance by the Company with this Social and Labour Plan and to make it known to all employees of the company and the local communities.

Signed at Somkhele on 19 December 2025

for and on behalf of: **Tendele Mining**

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ANNEXURE 1

Somkhele Bargaining Forum/Future Forum Terms of Reference

(Herein referred to as the "Future Forum")

Name

The name of the joint consultative forum shall be the Somkhele Bargaining Forum, hereinafter referred to as the "Future Forum", which is an association between the Mine ("the employer") and the employees of the company ("the employees") with representation from the union and with relevant support and assistance from the National Social Plan.

The Parties

The Somkhele Bargaining Forum shall comprise of the company and employees each of which shall be represented by a maximum of three (3) persons.

Representatives



The representatives shall be:

- Mine Manager
- HR Manager
- Manager - Community Development
- Union Rep 1
- Union Rep 2
- Employee Rep 1

The Future Forum is facilitated by the Mine manager who is responsible for ensuring that the deliverables of the Social and Labour Plan are met. In cases of disputes an independent facilitator will be invited from CCMA.

In case the above representatives are not available to attend meetings, their appointed alternatives are required to attend.

The employee's representatives shall be union representative or an appointed alternative; the Shop Steward or an appointed alternative; and one (1) elected employee of the company (non-union members).

Quorum

A Quorum of the Future Forum shall be a minimum of two (2) representatives each from management and employees.

Chairman of the Future Forum in cases of disputes

In cases of a dispute, the chairman shall be an independent and objective adjudicator appointed by the employer and employees or their representatives jointly.

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Secretary of the Future Forum

The secretary of the Future Forum shall be a nominated Secretary and shall be responsible for fairly arranging all meetings, recording all minutes and communicating all relevant information to all parties.

Other parties

Social Plan assistance and support to the Future Forum shall be provided by representatives from the National Social Plan by the Department of Employment and Labour and any other parties agreed to by the Future Forum.

Main objectives of the Future Forum

- To **promote discussion** between the company and Employees or their representatives and other relevant parties in respect of any problems and challenges experienced by either of the parties relating to possible retrenchment or job losses by employees.
- J**ointly debate potential** solutions to job losses and retrenchment taking into account the viability and operational requirement of the company.
- To **jointly engage in strategic planning** to avoid or minimize retrenchment and job losses and to promote business sustainability and growth, thereby preventing and averting future retrenchment and job losses.
- To **initiate turnaround and/or redeployment or other appropriate strategies** to prevent job losses whilst promoting business competitiveness and viability.
- To **jointly structure and implement solutions** to prevent job losses and retrenchments.
- To do all such other things that is incidental to and conducive to the attainment of the afore-going objectives.

General

- The parties have by their signatures hereunder agreed and accepted that a Future Forum has been fairly constituted and which Future Forum Shall exist through joint decision-making.
- Should the company contemplate retrenchment or job losses it shall inform the Future Forum thereof within a period of one (1) month prior to the anticipated retrenchment or redundancies.
- It is accepted and understood by the respective parties that if a mutually acceptable strategy or solution cannot be agreed to prevent possible retrenchment and avoid or minimize job losses or redundancies within a reasonable period of time(determined at date) then, in such an event, the company may implement retrenchments or redundancies in compliance with the Basic Conditions of Employment Act, Labour Relations Act and any Recognition Agreement /Retrenchment

Procedure between the Company and Employees. This shall not preclude the Future Forum from continuing to seek solutions or strategies to limit the negative implications which may be suffered by employees as a result of the said implementation of retrenchments or redundancies.

- In the event of retrenchments or redundancies being implemented, the method of selection of the persons affected shall be substantially fair and transparent to all parties. Aggrieved persons shall be given reasons for their retrenchment or redundancy and reasonable notice of the date of implementation thereof.

Funding of the forum

- The parties shall fund the Future Forum by means that shall be jointly decided by the parties.
- The Forum shall elicit funds from the national Social Plan or from any other funding mechanism offered or provided by government or non-government structures that are aimed at job creation and/or job preservation.

Powers of the Future Forum

- The Future Forum shall receive regular reports in respect of the overall financial status and other early warning signals of the Company.
- The Future Forum shall explore turnaround and /or redeployment strategies to prevent and/ or minimize retrenchment and its impact.
- The Future Forum shall seek services under the national Social Plan to provide and procure technical or advisory services to the respective parties, where required, until an acceptable redeployment strategy and implementation approach has been agreed upon.
- The strategies adopted and/ or recommended by the Future Forum must not negatively impact on the long-term viability or operational requirements of the company, nor on the independent decisions of any of the Future Forum`s.
- The future Forum shall consult with the Employer and the Employee in respect of fair retrenchment procedures, counselling processes and developing strategies to reduce job losses.
- The Future Forum shall seek assistance from the national Social Plan to promote and upgrade the affected employee's skills.

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Obligations and rights of participants

- The Employer shall be liable for the share of costs (if any) incurred by the Future Forum in terms of the agreed involvement of the National Social Plan.

- There must be consensus between the parties relating to the adoption of the planned strategies. Strategies adopted shall be agreed to by all parties to the Future Forum. The parties shall be equally liable for the projected cost of the restructuring, redeployment or employment opportunity created.
- Strategies must be in compliance with the Labour Relation Act and Recognition Agreements in terms of fair retrenchment procedures.
- The forum shall deal mainly with the prevention and / or minimization of retrenchment and the alleviation of job loss.

Duration of Future Forum

The Future Forum shall be deemed to have been constituted on the date of signature hereof and shall endure until the date of its termination to be agreed upon by the respective parties to the Future Forum.

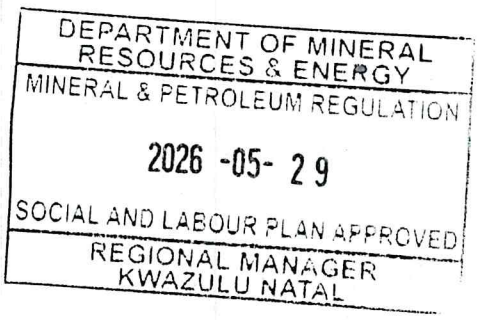
Dispute Resolution

- In the event of the parties not reaching agreement on any matter covered by and / or related to this agreement, the details of such disagreement, together with a proposed resolution of the matter, shall be communicated in writing to the remaining members of the Future Forum for further consideration.
- A special meeting of the Future Forum will be convened within five days of receipt of such written communication, in an effort to further consideration.
- If the matter cannot be resolved at such a meeting the parties shall mutually agree upon an independent Mediator, who may be a CCMA Commissioner, to facilitate a resolution of the matter, failing which the matter shall then be referred to an independent and mutually agreed upon arbitrator, who may be a CCMA Commissioner, whose decision shall be deemed to be final and binding on the respective parties.
- In the event of the parties not agreeing upon a Mediator or Arbitrator, as provided for.
- The aggrieved party shall refer the dispute to the CCMA in terms of the Labour Relations Act.



ANNEXURE 2:

Bursary policy and procedure



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Tendele MINING

Policy And Procedure

Study Assistance

Custodian: Training Superintendent	
Reference No: TCM/POL/HR/15	**Effective Date: 01 MARCH 2012**
Revision Number: 04	**Date Revised: 25 April 2021**
Next Revision Date: 25 April 2023	**Par. Revised: All**

Revision	1	2	3	4	5	6	7	8	9	10	11

ORIGINAL CONTROLLED DOCUMENT

SIGNATURE TABLE	DESIGNATION	NAME	SIGNATURE	DATE
Compiled By:	Training Superintendent	JC. Dafel		25/04/2021
Approved By:	GM Mining-	D Cooper		25/04/2021
Authorized By:	Chief Operating Officer	JM. Steyn		25/04/2021

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1. TENDELE MINING VALUES

We endeavour to fulfil our vision by supporting the following values

- Do business in an honorable manner.
- Be transparent in our conduct.
- Act with integrity and respect one another.
- Pursue excellence in everything we do.
- Trust and support one another.
- Be passionate and proud about what we do.
- Be loyal to the business and the team.

2. INTRODUCTION

Employees at all levels are encouraged to make use of opportunities to further their education qualifications to qualify themselves for further responsibilities.

Through Strategic Human Resources Development (SHRD) the Mine intends to not only develop its internal human capital, but also assist in the development of human capital in the immediate surrounds of the Mine.

3. OBJECTIVE

The objective of this policy/procedure is to ensure that provisions for study assistance and human capital development initiatives are regulated in a fair and equitable manner.

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4. SCOPE

This policy is applicable to all permanently appointed employees of the Company, Community members and Scarce Skills candidates.

5. RESPONSIBILITY

It is the responsibility of all Heads of Departments to ensure that the policy is applied in a fair and just manner.

It is the responsibility of line managers to utilise the provisions of this policy to further the development and training of their subordinates.

It is the responsibility of the Bursary Committee (Chief Operating Manager, Community Development Manager (responsible for SLP training), General Manager, and Training Superintendent) to allocate bursaries. Where specific disciplines are concerned then the relevant Head of department will participate, i.e. Engineering Manager when engineering apprenticeships are concerned etc.

6. POLICY / PROCEDURE

6.1. Categories of Assistance

The following types of assistance are distinguished for purposes of this policy:

Bursaries	-	where the studies of employees or external beneficiaries are paid o Or subsidised by the company and the beneficiary are contractually Bound with specific conditions.
Post-hoc Bursaries	-	where studies are paid by the beneficiary and a portion is claimed back Upon successful completion
Study loans	-	where the Company loans the money to the employee and deducts it in instalments from their monthly salary.
In service Training	-	where the Company affords learners the opportunity to gain on the job practical exposure in their respective field of study.

6.2. Categories of Learners

Professionals in Training (PIT)	-	University graduates who completed a formal degree at University and are offered experiential exposure in their field of study, or whilst on a Company bursary and need to do in-service as part of their contractual obligation, and a market related salary allowance is paid where the PIT is not employee where the Company affords learners the opportunity to gain on the job practical exposure in their respective field of study.
Technicians in Training(TIT)	-	University of technology students who complete all the requirement for a diploma.(S4) or B-tech degree and are

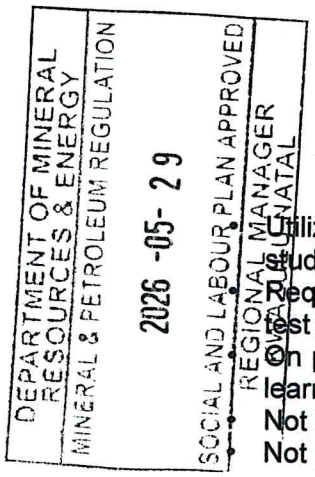
working to complete the practical component (P1&P2) of their diploma and a salary allowance are paid.

Non Graduate Learners - Learners whom are on a reviewing agreement, with no obligation to employ after completion and the related salary allowance is paid.

Junior Artisans - Three year learning agreement for Artisans who have completed a valid trade test to ensure compliance in terms of competent person. Junior Artisans are only catered for if positions are available and will be paid a market related salary/allowance will be paid.

Apprenticeship - Internal – Apprentice positions are created by the relevant line manager and budgeted for. Applicants must have a minimum of 1 years' experience in the engineering department. Apprentices will resign from current position and
Appointed on the relevant industry apprenticeship rate. The appointment as an artisan is based on positions being available at the time of trade test.

- External – JV with a training institution in-service to apprentices at minimum cost to mine. Internal employees are welcome to apply for apprentice training under JV conditions. Positions will not be reserved.



- Section 28 – This term is used to describe the recognition of prior learning, which is currently an option to obtain an artisan qualification.
Employees who do a Section 28 trade test on their own must:
Utilize their annual leave, as study leave applies to exam dates only when utilizing a study loan.
Required to apply for a study loan to cover the cost of a maximum of 3 weeks trade test prep.
On passing trade test on first attempt the employer may at its discretion refund the learner with a max of 80% of the study loan applied for.
Not be required to work back in terms of time spent away from work.
Not be entitled to an appointment as an artisan when qualifying.

Employees who have worked in the relevant department for a minimum of 4 years and have obtained at least a full N1 and at least the relevant N2 trade theory may be selected by the employer and a study bursary applies which covers the following:

- ARPL – one day assessment to determine the skills gap analysis.
- A maximum of 3 weeks trade test preparation period will be paid for as well as the 2 days trade test.
- Travelling allowance / accommodation catered for.
- Special paid leave applies only to the initial first attempt of trade test.
- Bursary work back period applies.
- Any more time required for the trade test will be for the candidate's own account.

Successful passing of a trade test does not lead to an appointment of the candidate as an artisan. If appointed, the candidate will be appointed as a junior artisan for a minimum of 2 years.

- AET (Internal) - Adult Education and Training (AET) is offered to any employee on the mine with consent from the line supervisor between 06h00 and 15h00. Employees whom successfully pass AET 3 is offered a bursary to do a Code10 driver's license and will be allowed to be trained on a TMM (front end loader), if they meet the criteria.

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6.3. Bursaries

6.3.1. Criteria for Approval for employees

The following criteria will be considered at the sole discretion of the Company in order to qualify for a bursary:

- Succession Planning of the applicant
- Previous bursaries allocated
- Work performance and general conduct
- Time-off requirements for studies
- Disciplinary record
- Competence skills matrix – (functional competence) – internal candidates

6.3.2. Conditions

Bursaries will be granted subject to the following conditions:

6.3.2.1. Study leave and time off from work will be granted in accordance with the Company's leave policy.

6.3.2.2. No further study assistance in respect of a subject that has not been successfully completed will be allowed until such time that it has been successfully repeated at the beneficiary's own cost.

6.3.2.3. Feedback on progress with studies must be provided to the Training Superintendent on an annual basis by means of copies of results.

6.3.2.4. One full year for each year of study needs to be worked back, commencing on the first day after the last examination was successfully completed (i.e. studies completed on 30 October 2020 – first year worked back will end on 30 October 2021).

6.3.2.5. In the case where an employee's service is terminated (excluding termination for operational reasons) before the expiry of the period worked back, the employee will be liable to repay the portion of the total study cost (plus interest at prime rate) pro-rata to the period that have not been worked back as described above.

6.3.2.6. In the case where a course/subject is discontinued at the sole decision of the beneficiary, he/she is liable to repay the amount granted by the Company for such course of subject (plus interest at prime rate for the duration for which the amount was granted).

6.3.2.7. Contractual obligations are not applicable where the beneficiary's services are terminated for operational reasons.

6.3.3. Procedure for Bursaries

- All applications for bursaries (Annexure A) must be handed to the Training Superintendent by the cut-off date as advertised.

- All applications must be on the prescribed "Application for Study Assistance" (Annexure A) and must be signed and motivated by the appropriate departmental heads.
- A Committee consisting of the at least the COO, General Manager, and Training Superintendent, will review all applications and allocate bursaries with due consideration of the Company's objectives and Budget.
- All applicants will be informed of the outcome of their application in writing.

6.4. Post-hoc Bursaries

6.4.1. Criteria for Approval

The following criteria will be considered at the sole discretion of the Company in order to qualify for a post-hoc bursary:

- Relevance of the studies to the Company (return on investment)
- Succession planning of the applicant
- Previous bursaries allocated
- Work performance and general conduct
- Disciplinary record



6.4.2. Conditions

Post-hoc bursaries will be granted subject to the following conditions:

6.4.2.1. A maximum of 80% of total fees will be compensated.
6.4.2.2. One full year for every year studied must be worked back.
6.4.2.3. In the case where an employee's service is terminated (excluding termination for operational reasons) before the expiry of the period worked back, the employee will be liable to repay the portion of the total amount granted for study cost (plus interest at prime rate) pro-rata to the period that have not been worked back as described above.

6.4.3. Procedure for Post-hoc Bursaries

6.4.3.1. All applicants for post-hoc bursaries (Annexure A) must be handed to the Training Superintendent within the cut-off date as per advert.
6.4.3.2. The Training Superintendent will provide for funds to allocate to bursars during the budget process which commences in the months preceding the new financial year.
6.4.3.3. The budget will be motivated according to the Employment Equity, Social and Labour Plan and other relevant needs of the Company.
6.4.3.4. All applications must be on the prescribed "Application for Study Assistance" (Annexure A) and must be signed and motivated by the appropriate departmental heads.
6.4.3.5. A Committee consisting of at least the COO, General Manager, Training Superintendent will review all applications and allocate bursaries with due consideration of the Company's objectives.
6.4.3.6. All applicants will be informed of the outcome of their application in writing.

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6.5. Study Loans

6.5.1. Criteria for Approval

The following criteria will be considered in order to qualify for a study loan:

6.5.1.1. Succession planning of the applicant.
6.5.1.2. Financial situation of applicant i.e. garnishee orders, home loan.
6.5.1.3. Work performance and general conduct.
6.5.1.4. Time-off requirements for studies.
6.5.1.5. Disciplinary record.

6.5.2. Conditions

Study loans will be granted subject to the following conditions:

6.5.2.1. Study leave and time off from work will be granted in accordance with the Company's leave policy.
6.5.2.2. Feedback on progress with studies must be provided to the Training Superintendent on an annual basis by means of copies of results.
6.5.2.3. The re-payment period of the amount granted by the Company may not exceed twelve months.
6.5.2.4. Study loans will be interest-free.

6.6. Procedure for Study Loan

6.6.1. All applications for study loans must be completed on the prescribed form (Annexure A) and must be handed to the Training Superintendent.
6.6.2. All applications must be signed and motivated by the appropriate departmental heads.
6.6.3. All applicants will be informed of the outcome of their application in writing.
6.6.4. The monthly instalment and commencement date of the loan repayment will be communicated to the successful applicant. He/she must sign the prescribed form (Annexure B) to allow the Company to deduct instalments from his/her monthly salary.
6.6.5. The HR department will process payment and ensure that the monthly instalment is deducted from the applicant's salary.
6.6.6. The Training Superintendent will provide for finances during the first quarter of the year to be included in the budget for financial year.
6.6.7. The budget will have due consideration for the Company's EE, SLP, WSP and Operational needs and requirements.

7. Authority Of the Tendele Executive Committee (Exco)

The Tendele Exco may prescribe or approve steps not consistent with this policy where the merits of the case warrant such actions or where the specific actions are not prescribed in this policy.

8. Interest Of the Company

All employees are to act in good faith and in the best interest of the Company in the interpretation and application of this policy. Any form of abuse of the conditions addressed in

this policy, self-enrichment or prejudice towards the Company, will be regarded as misconduct and be dealt with in accordance with the Company's disciplinary policy.

Application for Study Assistance

Below are the required documents that must accompany the Study Assistance Application. Please tick on the check box if required document is attached and thereafter bring it to the training department with all required signatures:

NB: <u>An applicant is responsible for his/her own registration at relevant Institution</u>

<u>CHECKLIST</u>

	DOCUMENT LIST	CHECK BOX
1.	IDP (INDIVIDUAL DEVELOPMENT PLAN)	
2.	CAREER DISCUSSION (PROOF ATTACHED)	
3.	QUOTATIONS (STUDIES & BOOKS)	
4.	ALL SIGNATURES INCLUDED (PAGE 4 OF 4)	
5.	COST CODE AND COST CODE OWNER NAME INCLUDED ON PAGE 4 OF 4	
6.	DECLARATION UNDERSTOOD AND SIGNED ON PAGE 4 OF 4	
7.	CONTRACT COMPLETED AND ATTACHED	

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PURPOSE

To provide study assistance guidelines within Tendele mining for (permanent) employees who wish to participate in a culture of lifelong learning. Assistance is granted in terms of tertiary post school education

Part A Application and Course Information		
Name:	Section:	Department:
Tel Ext No.:	Employee No.:	ID No:
Name of Institution:		Student No.:
Name of Degree / Diploma / Certificate / Program to be studied:		
Complete either Bursary / Loan section. Strike through the sections not required. Remember – all applicants must sign a study assistance agreement		
Please attach a one page motivation of study		

APPLYING FOR:	**BURSARY**		**POST-HOC BURSARY**		**STUDY LOAN**	

ESTIMATED COST OF STUDY

(Attach copies of detail per subject per year verified by the institution where studies are planned)

	YEAR 1	YEAR 2	YEAR 3	YEAR 4
Tuition Fees				
Books				
Registration				
Other				
TOTAL				
Study leave (no of days)				

RECOMMENDATION BY DEPARTMENTAL MANAGER

I support / do not support this application for the following reasons:

.....

.....

.....

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Name _____ **Signature** _____

Designation _____ **Date** _____

STUDY LOAN – PERMISSION TO DEDUCT MONEY FROM SALARY

I, _____(Name)_____(Coy no.) hereby grant permission to the Company to deduct R _____ per month from my salary until settlement of the loan.

SIGNATURE:_____ **DATE:**_____

BURSARY COMMITTEE

The application for a bursary / post hoc bursary / study loan is hereby approved / not approved.

TRAINING SUPT **COO** **GM: MINING**

PAYROLL / FINANCE

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ANNEXURE 3

Mtubatuba Municipality Profile

DEMOGRAPHIC PROFILE

1. Total Population

In 2016, Mtubatuba hosted a total population of 202 176 most of whom are black (98%). The dominant home language was isiZulu – spoken by 92% of the population. Population growth has slowed in the municipality but growth rate of 1,8% was much higher than the provincial average of 0,7%. Mtubatuba is closer to Empangeni-Richards Bay and at the junction of a popular tourist area. Females make up most of the population – 54% – with males making up the remaining 46%

In 2019, the Mtubatuba population made up 29% of uMkhanyakude's total population of 696 193 and paltry 2% of the KwaZulu– Natal province's population of 11 466 708.

2. Population Density

The population density is 102 people per km_2, making it a more densely populated area than the district (50 people per Km2) but lesser than the province (121 per Km2). Projections for Mtubatuba local municipality suggest that in 2021 the population is approximately 212,837, while in 2025 it is likely to reach approximately 229,390. The aforenoted projections account for the average population growth (1.89%) between 2011 and 2019.

Mtubatuba Municipality comprises 23 wards with 23 Ward Councillors respectively. There is one Traditional Council, known as Mpukunyoni situated to the West of the N2. Map Showing Mtubatuba Wards and Traditional Councils

3. Economic Profile

Considering the GDP growth rate, as illustrated below, Mtubatuba has recorded relatively low growth since 2010. The low growth rate is however consistent with the general performance of the district economy, the provincial and the national economy.

The Mtubatuba economy went into recession in 2015 and 2016, following a devastating drought which saw the drying up of the uMfolozi river (which traverses the province). The impact of the drought dragged into 2019. In 2020, the impact of Covid-19 shaped the deepest recession in modern history, with the municipal economy growing at -5.1%. This is however a relatively better performance than the district (-6.20%) and the province (-9.30%). The national Treasury projects -7.8% growth rate of the national economy.

The impact of Covid-19 on Mtubatuba relates to the declining tourists in the area due the series of lockdowns imposed to contain the spread of the pandemic.

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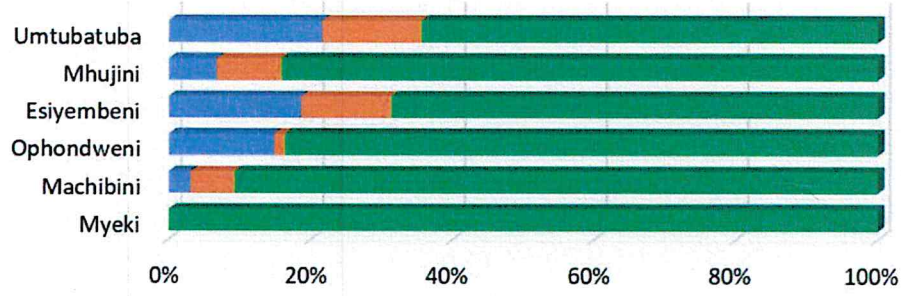
Comparative analysis of employment in both formal and informal economies show that the formal sector employs significantly more labour force than the informal. On average, the informal economy employs approximately one third (30%) as much as the formal sector. Overtime, the rate of labour absorption in the formal sector is slightly higher than in the informal economy. This is evident in that while the informal sector employed 31% as much as the formal sector in 2010, this percentage is expected to decline to 28% in 2025.

Both sectors employed a total of 27, 185 labour force in 2020, compared to 22,203 in 2020. Focusing on the formal sector, household is the largest employer in the formal economy. Worth noting is that community services occupy second place, a similar trend observed in the informal economy. But while the community services sector employed 1200 labour force informally in 2020, it employed 17000 in the formal (7 times more). The various economic sectors are generally grouped into Primary sector – extraction of raw materials – mining, fishing, and agriculture; secondary / manufacturing sector – concerned with producing finished goods, e.g., Construction sector, manufacturing, and utilities, e.g. electricity and Service / 'tertiary' sector – concerned with offering intangible goods and services to consumers. This includes retail, tourism, banking, entertainment and I.T. services.

The impact of the Covid-19 pandemic is expected to influence the worst performance in a decade, in Mtubatuba, uMkhanyakude and KZN. Keeping focus on Mtubatuba, the secondary sector is expected to stabilize between 2021 and 2025, at an average annual growth of 1,72%. This is however after a negative growth of -11% in 2020. More recently the knowledge economy, education, and research & development form part of the quaternary sector. Trend analysis of the primary sector performance in Mtubatuba reveals that it grew at an annualized average of 5.2% between 2010 and 2014.

Please note, according to the Socio-Economic Impact Assessment, conducted by Urban-Econ Development, the employment rates in the assessed areas are low (<22%) thus indicating that unemployment in the area is between 70-80%, which is materially worse the figures referenced above.

Figure 11: Employment Status of Population Ages 15-64 in area of impact , 2022

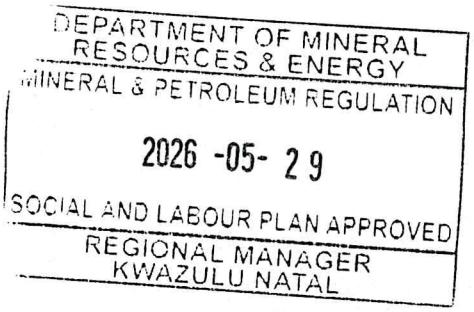


	Myeki	Machibini	Ophondweni	Esiyembeni	Mhujini	Umtubatuba
Employed	0,0%	3,1%	14,8%	18,6%	6,7%	21,6%
Unemployed	0,0%	6,2%	1,5%	12,7%	9,1%	14,0%
Not Economically Active	100,0%	90,7%	83,6%	68,6%	84,1%	64,4%

ANNEXURE 4

Mtubatuba Local Municipality IDP (Final 2023-2024)

To be attached when submitting to the DMPR



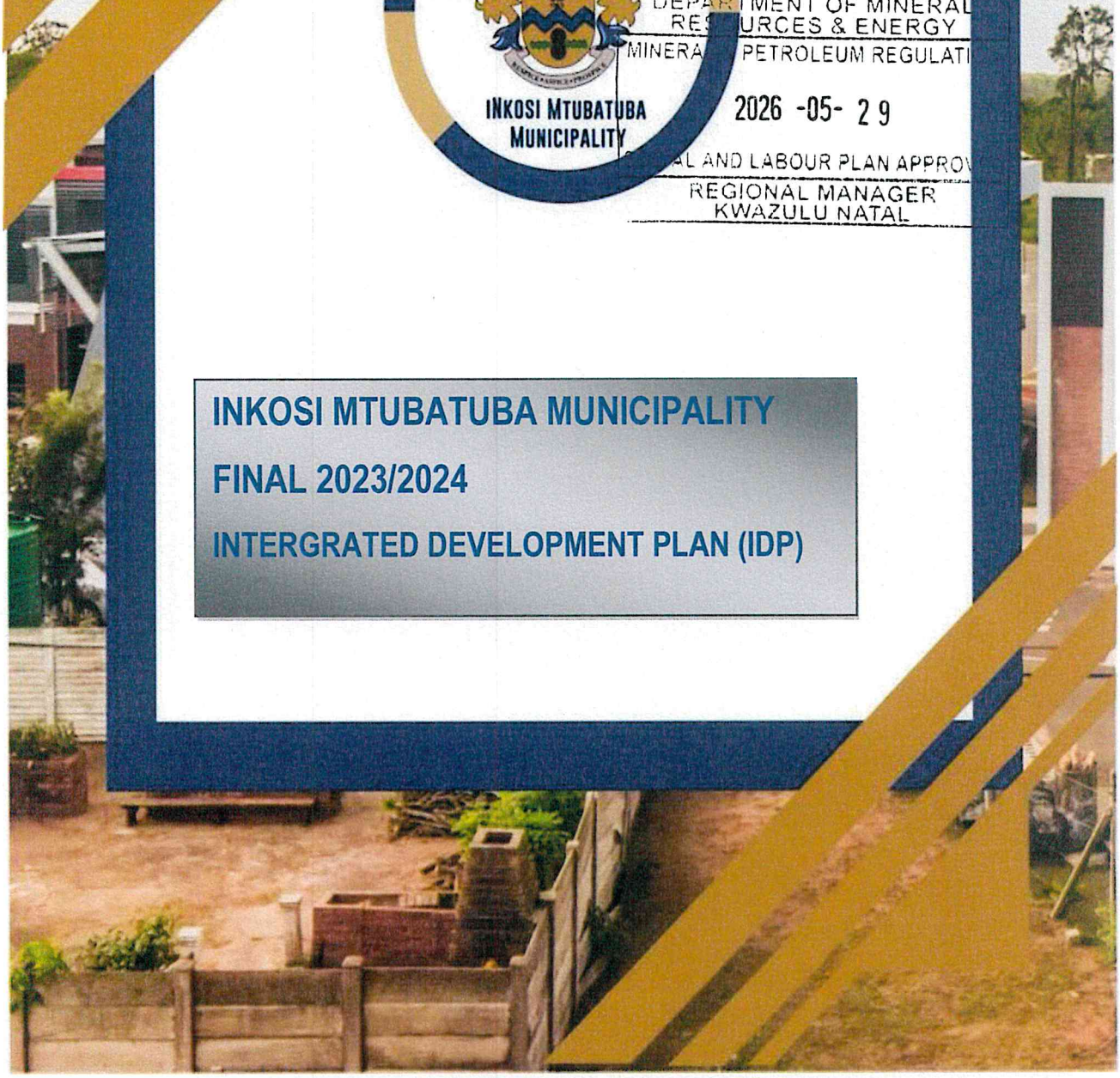
INKOSI MTUBATUBA MUNICIPALITY

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INKOSI MTUBATUBA MUNICIPALITY

FINAL 2023/2024

INTERGRATED DEVELOPMENT PLAN (IDP)



2. DEMOGRAPHIC PROFILE

2.1 POPULATION SIZE

Total Population

In 2016, Mtubatuba hosted a total population of 202 176 most of whom are black (98%). The dominant home language was isiZulu – spoken by 92% of the population. Population growth has slowed in the municipality but growth rate of 1,8% was much higher than the provincial average of 0,7%. Mtubatuba is closer to Empangeni-Richards Bay and at the junction of a popular tourist area. Females make up most of the population – 54% – with males making up the remaining 46%

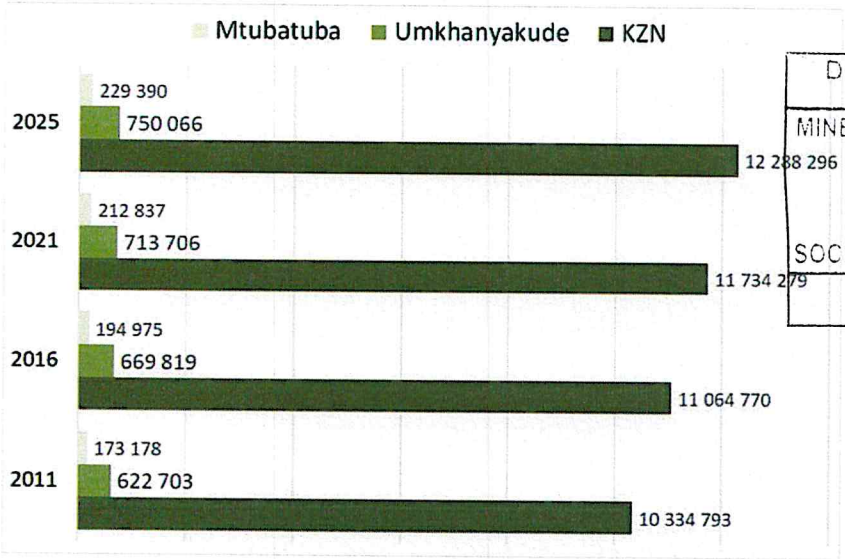
2.2 POPULATION DISTIBUTION

In 2019, the Mtubatuba population made up 29% of uMkhanyakude's total population of 696 193 and paltry 2% of the KwaZulu– Natal province's population of 11 466 708.

Population Density

The population density is 102 people per km², making it a more densely populated area than the District (50 people per Km2) but lesser than the province (121 per Km2). Projections for Mtubatuba local municipality suggest that in 2021 the population is approximately 212,837, while in 2025 it is likely to reach approximately 229,390.

Figure 2: Population Data and projections (2011-2025)



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3Stats SA (2016) and Global Insight (2019) calculations by The Frontline Group

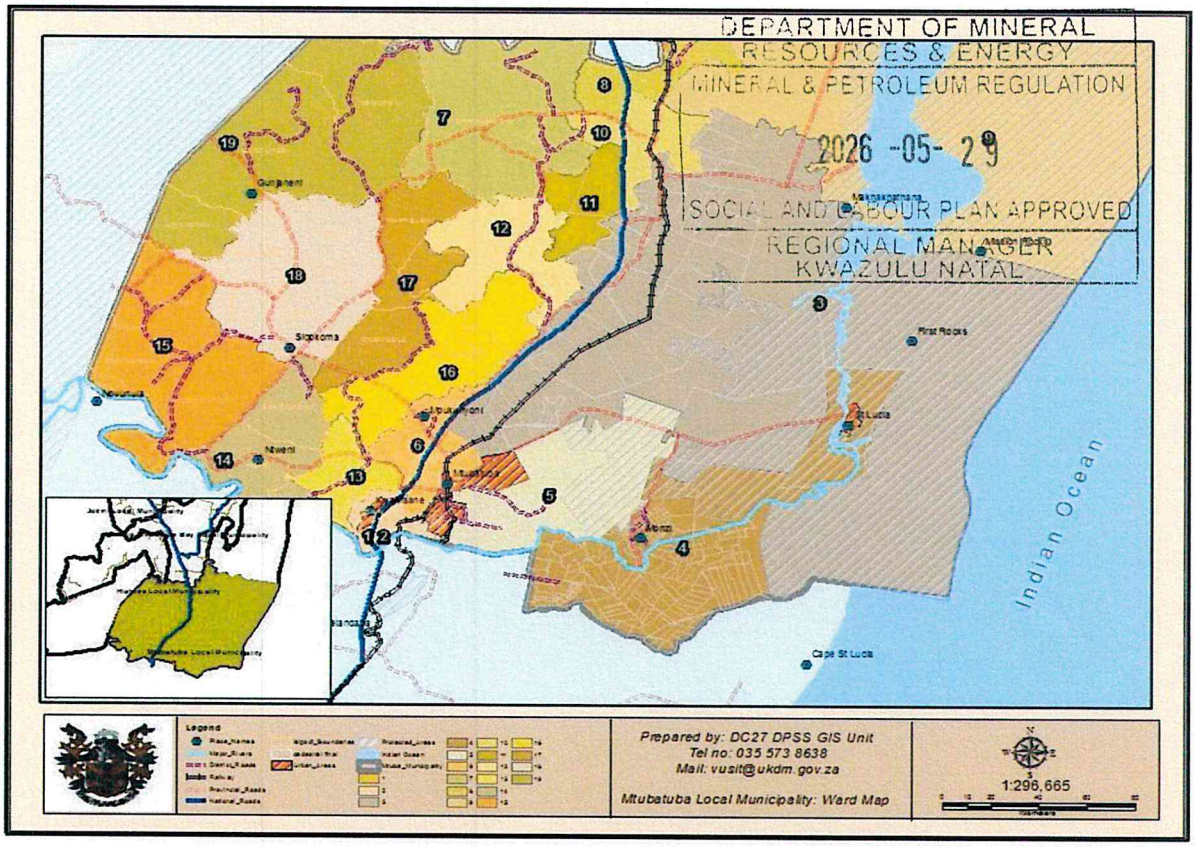
The aforenoted projections account for the average population growth (1.89%) between 2011 and 2019. This annual growth rate is noticeably higher than uMkhanyakude (1.25%) and KZN (1.16%). The urbanizing population and the tourism opportunities do generate in-migration into the municipality.

The population growth rate for Mtubatuba local municipality is not so much expected to change in 2020 (during the Covid-19 pandemic), unlike most other indicators such as economic growth, employment, etc. The contribution to the district is however expected to rise to 30% in 2025, from 29% in 2019.

2.3 MTUBATUBA WARDS AND TRADITIONAL COUNCILS

Mtubatuba Municipality comprises 23 wards with 23 Ward Councillors respectively. There is one Traditional Council, known as Mpukunyoni situated to the West of the N2. Map Showing Mtubatuba Wards and Traditional Councils

Figure 3: Mtubatuba Wards and Traditional Councils

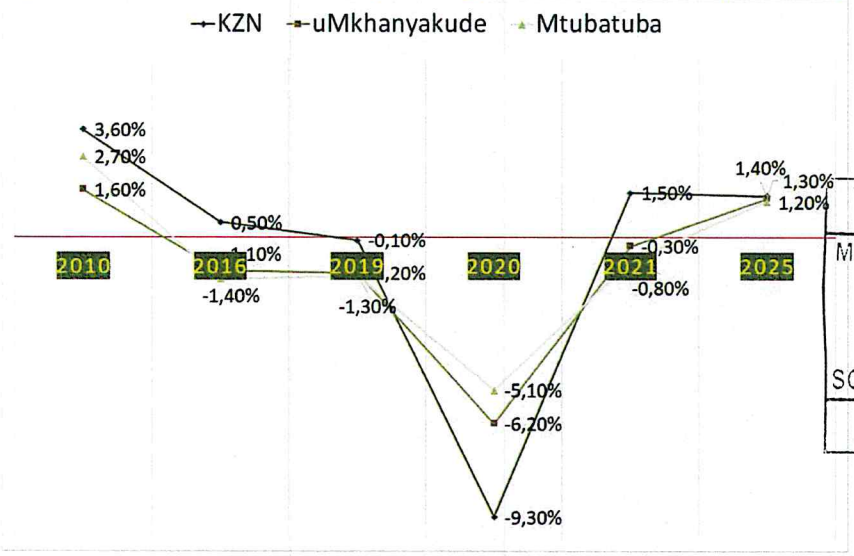


3. ECONOMIC PROFILE

3.1 GROSS DOMESTIC PRODUCT (GDP)

Considering the GDP growth rate, as illustrated below, Mtubatuba has recorded relatively low growth since 2010. The low growth rate is however consistent with the general performance of the District economy, the provincial and the national economy. The Mtubatuba economy went into recession in 2015 and 2016, following a devastating drought which saw the drying up of the uMfolozi river (which traverses the province). The impact of the drought dragged into 2019. In 2020, the impact of Covid-19 shaped the deepest recession in modern history, with the municipal economy growing at -5.1%. This is however a relatively better performance than the District (-6.20%) and the province (-9.30%). The national Treasury projects -7.8% growth rate of the national economy. The impact of Covid-19 on Mtubatuba relates to the declining tourists in the area due the series of lockdowns imposed to contain the spread of the pandemic.

Figure 4: GDP Growth rate in KZN, uMkhanyakude and Mtubatuba (2020-2025).

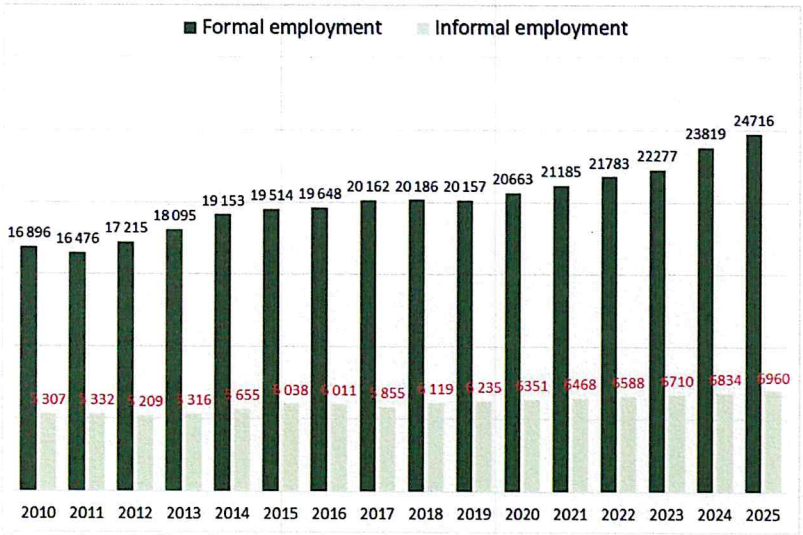


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Source: Stats SA (2016) and Global Insight (2019) calculations by The Frontline Group

Comparative analysis of employment in both formal and informal economies show that the formal sector employs significantly more labor force than the informal. On average, the informal economy employs approximately one third (30%) as much as the formal sector. Overtime, the rate of labor absorption in the formal sector is slightly higher than in the informal economy. This is evident in that while the informal sector employed 31% as much as the formal sector in 2010, this percentage is expected to decline to 28% in 2025. Both sectors employed a total of 27, 185 labor force in 2020, compared to 22,203 in 2020.

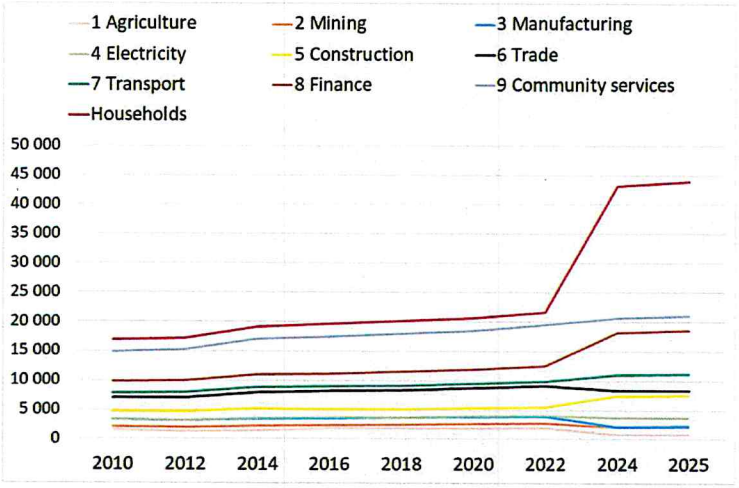
Figure 5: Total employment in Mtubatuba (broken down into formal and informal economy employment)



Source: Stats SA (2016) and Global Insight (2019) calculations by The Frontline Group

Focusing on the formal sector, household is the largest employer in the formal economy. Worth noting is that community services occupy second place, a similar trend observed in the informal economy. But while the community services sector employed 1200 labor force informally in 2020, it employed 17000 in the formal (7 times more).

Figure 6: Employment in the formal sector (Mtubatuba)



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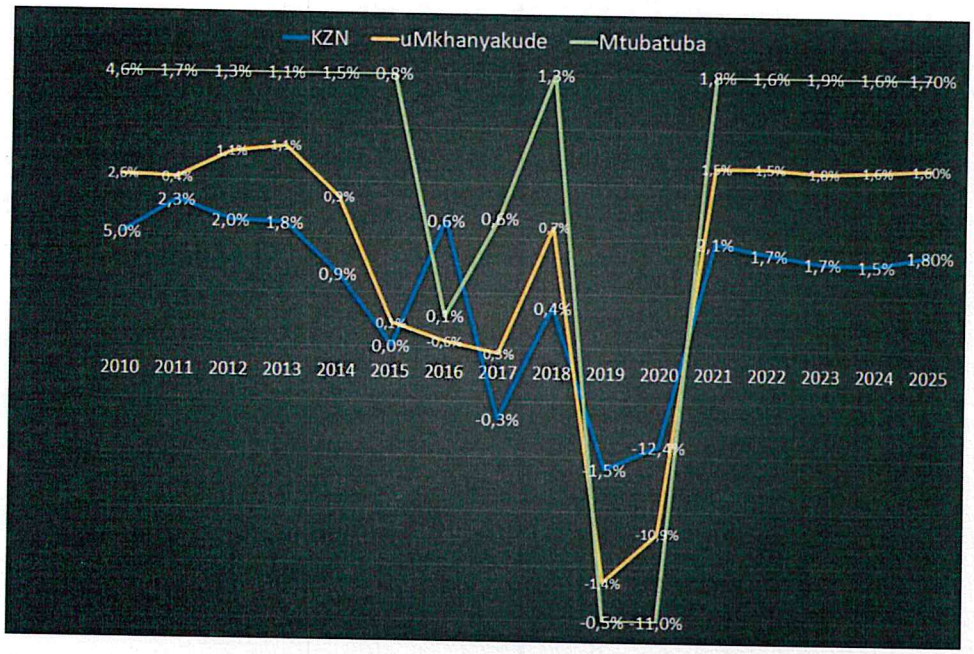
Source: Stats SA (2016) and Global Insight (2019) calculations by The Frontline Group

The various economic sectors are generally grouped into Primary sector – extraction of raw materials – mining, fishing and agriculture; secondary / manufacturing sector – concerned with producing finished goods, e.g., Construction sector, manufacturing and utilities, e.g. electricity and Service / 'tertiary' sector – concerned with offering intangible goods and services to consumers. This includes retail, tourism, banking, entertainment and I.T. services. More recently

the knowledge economy, education, and research & development form part of the quaternary sector. Trend analysis of the primary sector performance in Mtubatuba reveals that it grew at an annualized average of 5.2% between 2010 and 2014. The impact of recurring drought is seen in the negative growth performance of the primary sector between 2015 through 2019, although there is a growth spike in 2017 following several government interventions. The delayed impact of the Covid-19 pandemic is likely to be evident in the projected 2021 negative growth, and, the recovery is likely to be rather slow, expected to reach 1.4% in 2015.

The impact of the Covid-19 pandemic is expected to influence the worst performance in a decade, in Mtubatuba, uMkhanyakude and KZN. Keeping focus on Mtubatuba, the secondary sector is expected to stabilize between 2021 and 2025, at an average annual growth of 1,72%. This is however after a negative growth of -11% in 2020.

Figure 7: Annual Sector Growth (Secondary Sectors-2010 Prices)



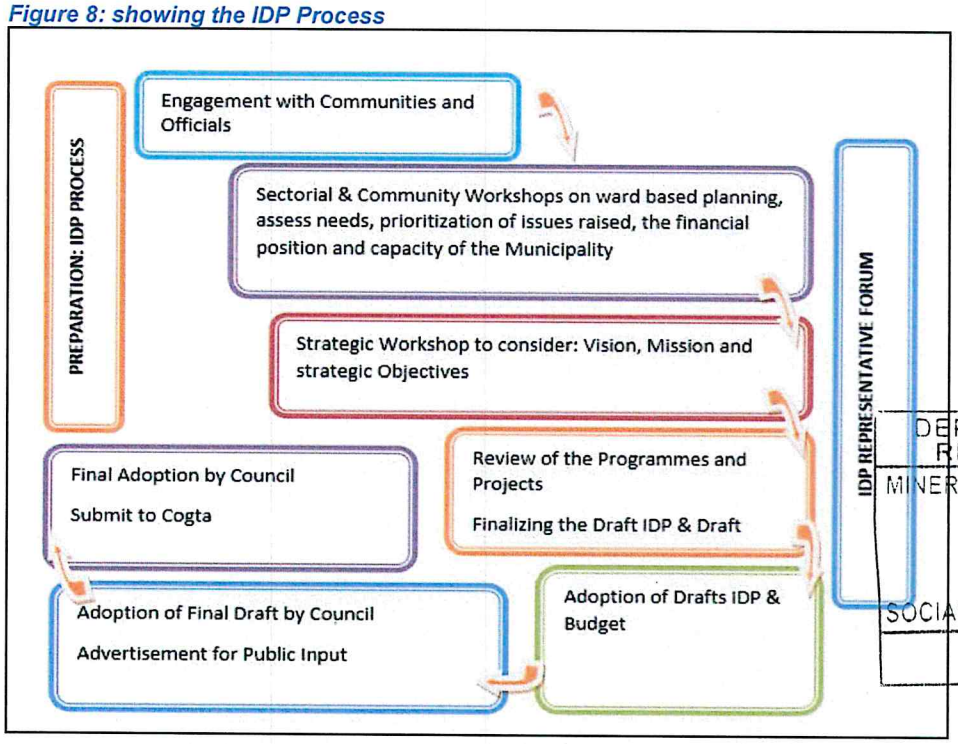
Source: Stats SA (2016) and Global Insight (2019) calculations by The Frontline Group

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4. HOW WAS THIS PLAN (IDP) DEVELOPED?

The Municipality developed a process plan for the compilation of Mtubatuba Municipality' five-year IDP and the process plan of the review was adopted by Council on August 2022. The plan is summarized in the following diagram:

Figure 8: showing the IDP Process



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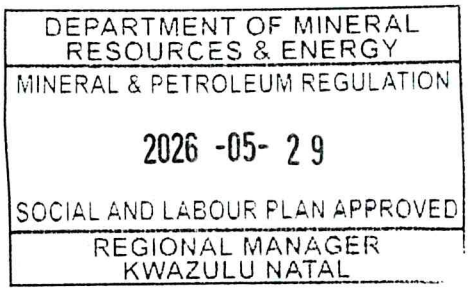
4.1 THE PROCESS PLAN, APPROACH AND METHODOLOGY

For the purposes of ensuring certain minimum quality standards of the IDP process including a proper co-ordination between and within spheres of government, the preparation of the Process Plan had been affected in terms of the regulations outlined in Chapter 5 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) MSA. COGTA also has set out a guide for formulation of the Process Plans. The preparation of a Process Plan, which is in essence the IDP preparation process set out in writing, requires adoption by Council and advertisement thereafter.

The plan includes the following:

- An indication of the organizational arrangements for the IDP process;
- Participation of civil communities, organs of state, traditional councils, and other role players in the IDP drafting process;

- Appropriate mechanisms, processes and procedures for consultation; Mechanisms and procedures for vertical and horizontal alignment;
- A programme specifying the time frames for the different planning steps; IDP Meetings;
- Cost estimates for the Planning Process; and
- Binding plans and planning requirements, i.e. policy and legislation



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4.1.1 First Quarter (July - September)

The first quarter of the municipal financial year serves as the commencement of the implementation of the new budget and reviewed IDP while it is the start of the review process of the IDP for the following year. The most significant actions relates to the closure of the financial year that has lapsed. This refers to the annual audit report that needs to be submitted to the Auditor-General, which is normal practice irrespective of the term of Local government.

As part of the financial audit report, or as a separate report, the municipality will need to prepare and submit an annual performance report. This report or a similar report will need to be tabled at a public meeting as per MSA regulations during this period.

The IDP Process Plan will be adopted by the municipality during this period and will for all practical considerations not deviate substantially from year to year.

IDP, PMS and Budget Broad Action Plan

1st Quarter	IDP	OPMS	BUDGET
JULY	▪ IDP implementation (2022/23) ▪ Preparation of the IDP Process Plan for the 2023/24 IDP. ▪ Submission of the IDP Process Plan for assessment and comment by the DCOGTA ▪ First **District IDP RF Meeting** convenes –	▪ 4th quarterly review due 2022/23) ▪ Section 54/56 Employees performance contracts signed.	▪ Approval of budget implementation plan by the Mayor or the Executive.
AUGUST	▪ IDP Process Plan for the 2023/24 IDP preparation finalized and adopted by the Council. ▪ Commencement of IDP **Analysis Phase (Ward based consultation sessions)** ▪ First IDP Steering Committee Meeting	▪ Launch campaign to publish performance ▪ OPMS citizens report compiled	▪ Municipal Manager to submit annual financial statements to the AG for auditing **(MFMA S126)** ▪ Mayor to table Budget Timetable
SEPTEMBER	▪ Advertisement of the council adopted process plan (MSA S28) ▪ Continuation of IDP **Analysis Phase (internal assessment** ▪ First District Planners Forum Meeting –September ▪ Commencement of IDP **Strategies Phase**	▪ First quarterly review due ▪ PMS Audit Committee appointed	▪ Determination of revenue projections and draft initial allocations to powers and functions and departments for the 2023/24 Financial Year.

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4.1.2 Second Quarter (October - December)

During this period, any new relevant information impacting on the Local Municipality and the IDP will be considered as part of the new IDP preparation. Although there will be changing circumstances throughout the annual business cycle of the municipality this will inform the current status quo of the Municipality and subsequently the revised objectives, strategies and priority projects.

During this quarter, the draft budgets of national and provincial government should be finalised. This will then serve as the principle action which would inform and initialize the commencement of the Local Municipal budgetary process.

IDP, PMS and Budget Broad Action Plan

2nd Quarter	IDP	OPMS	BUDGET
OCTOBER	▪ Tabling of the **Status Quo Report** ▪ Evaluation of changed circumstances ▪ Second IDP Steering Committee Meeting ▪ Continuation of IDP **Strategies Phase** ▪ Development of sector Plans initiation ▪ District Planners Forum Meeting – November ▪ IDP/Budget Roadshow or Mayoral Imbizo – December (DC 27 and all LMs)	▪ 1st quarterly review due 22/23 Inform the IDP Preparation Process of KPA, objectives and strategies	▪ Review of national policies and budget plans and potential price increase of bulk resources
NOVEMBER	▪ Continuation of development of objectives and strategies ▪ Commencement of IDP **Projects Phase**	▪ Inform the IDP Preparation Process of KPA, objectives and strategies	▪ Initial budget review, taking into account the development of IDP objectives, strategies and projects ▪ National and Provincial departments prepare final draft budget
DECEMBER	▪ Continuation of IDP **Projects Phase** ▪ Second **IDP RF Meeting -December** ▪ Completion of Projects Proposals to inform Municipal, Provincial and National budget processes ▪ Third District **IDP Alignment Meeting** convenes ▪ District IDP RF Meeting –December 2022	▪ Inform the IDP Preparation Process of KPA, objectives and strategies	▪ Accounting Officer and senior officials consolidate and prepare proposed budget and plans for 2023/24 FY taking into account previous years' performance as per audited financial statements (commencement of draft budget) ▪ Council approves tariffs for 2023/24 Financial Year

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4.1.3 Third Quarter (January - March)

Due to the linkage between the IDP process and the budgeting process, the IDP preparation, which commenced at an earlier, could now more relevantly be drawn to a conclusion. During this period the draft IDP will be approved by the council and, the council approved draft IDP will be advertised for public comments, for the legislative period of 21 days.

As the final budgets of national and provincial government will be done during this period, and the gazetting of these anticipated, the draft IDP document for the next financial year could be presented to council and public as a final draft document.

At this stage, the performance management system will have concluding functions into the IDP. Consideration of the previous four quarters, inclusive of the findings of the annual evaluation of the PMS of the previous financial year will inform the finalisation of the draft IDP.

IDP, PMS and Budget Broad Action Plan

3rd Quarter	IDP	OPMS	BUDGET
JANUARY	▪ Continuation of Projects Planning ▪ Continuation of Sector Planning ▪ Commencement of the IDP **Alignment phase.** ▪ District Planners Forum meeting – January	▪ 2nd quarterly review due 2022/23 ▪ Bi-annual report preparation ▪ Tabling of Mid- Year Assessment Report to Council. ▪ Table in Council the Annual report of the Municipality for the year ended 30 June 2022.	▪ Review of proposed National and Provincial allocations to the Municipality for incorporation into the draft budget for tabling (Proposed National and Provincial allocations for three years must be made available by 20 January of each year) **MFMA s 36** ▪ Review all aspects of budget including any unforeseen & unavoidable expenditure in light of need for an adjustments budget. ▪ Consider mid-year (Sec 71 & 72) Reports, review implementation of budget & SDBIP.
FEBRUARY	▪ Integration of Processes ▪ Third IDP Steering Committee Meeting ▪ Finalization of draft IDP document ▪ District IDP RF meeting – February 2022	▪ Baseline information survey	▪ Tabling of the 2022/23 adjustment budget to Council ▪ Submission to Mayor proposed budgets and Plans for the next three years- budget taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual reports. ▪ Submit the tabled adjustments budget to the Provincial & National Treasury.

2. DEMOGRAPHIC PROFILE

2.1 POPULATION SIZE

Total Population

In 2016, Mtubatuba hosted a total population of 202 176 most of whom are black (98%). The dominant home language was isiZulu – spoken by 92% of the population. Population growth has slowed in the municipality but growth rate of 1,8% was much higher than the provincial average of 0,7%. Mtubatuba is closer to Empangeni-Richards Bay and at the junction of a popular tourist area. Females make up most of the population – 54% – with males making up the remaining 46%

2.2 POPULATION DISTIBUTION

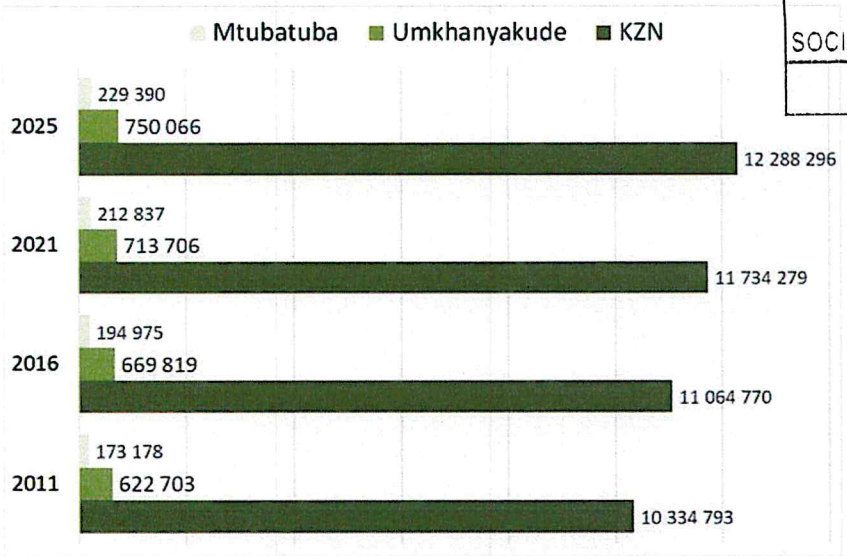
In 2019, the Mtubatuba population made up 29% of uMkhanyakude's total population of 696 193 and paltry 2% of the KwaZulu– Natal province's population of 11 466 708.

Population Density

The population density is 102 people per km^2, making it a more densely populated area than the District (50 people per Km2) but lesser than the province (121 per Km2). Projections for Mtubatuba local municipality suggest that in 2021 the population is approximately 212 837, while in 2025 it is likely to reach approximately 229,390.

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Figure 2: Population Data and projections (2011-2025)



3Stats SA (2016) and Global Insight (2019) calculations by The Frontline Group

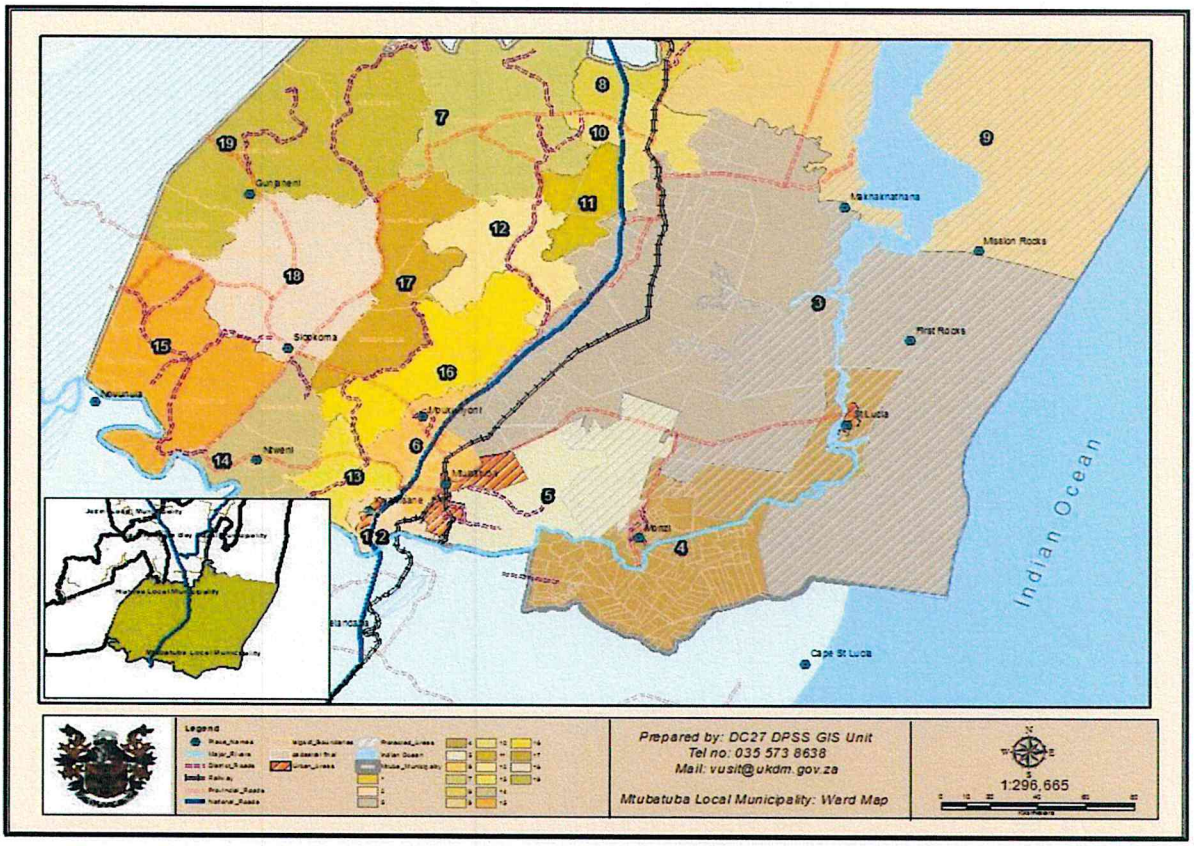
The aforenoted projections account for the average population growth (1.89%) between 2011 and 2019. This annual growth rate is noticeably higher than uMkhanyakude (1.25%) and KZN (1.16%). The urbanizing population and the tourism opportunities do generate in-migration into the municipality.

The population growth rate for Mtubatuba local municipality is not so much expected to change in 2020 (during the Covid-19 pandemic), unlike most other indicators such as economic growth, employment, etc. The contribution to the district is however expected to rise to 30% in 2025, from 29% in 2019.

2.3 MTUBATUBA WARDS AND TRADITIONAL COUNCILS

Mtubatuba Municipality comprises 23 wards with 23 Ward Councillors respectively. There is one Traditional Council, known as Mpukunyoni situated to the West of the N2. Map Showing Mtubatuba Wards and Traditional Councils

Figure 3: Mtubatuba Wards and Traditional Councils



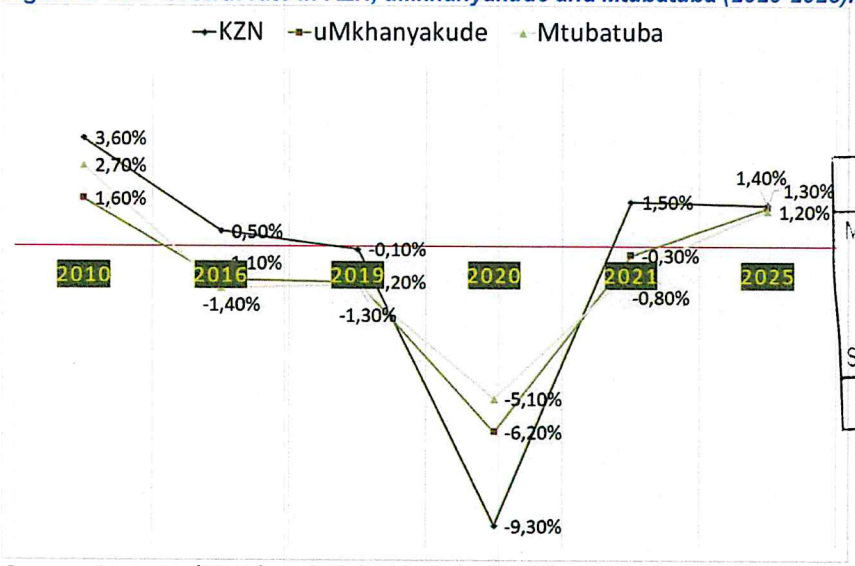
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3. ECONOMIC PROFILE

3.1 GROSS DOMESTIC PRODUCT (GDP)

Considering the GDP growth rate, as illustrated below, Mtubatuba has recorded relatively low growth since 2010. The low growth rate is however consistent with the general performance of the District economy, the provincial and the national economy. The Mtubatuba economy went into recession in 2015 and 2016, following a devastating drought which saw the drying up of the uMfolozi river (which traverses the province). The impact of the drought dragged into 2019. In 2020, the impact of Covid-19 shaped the deepest recession in modern history, with the municipal economy growing at -5.1%. This is however a relatively better performance than the District (-6.20%) and the province (-9.30%). The national Treasury projects -7.8% growth rate of the national economy. The impact of Covid-19 on Mtubatuba relates to the declining tourists in the area due the series of lockdowns imposed to contain the spread of the pandemic.

Figure 4: GDP Growth rate in KZN, uMkhanyakude and Mtubatuba (2020-2025).

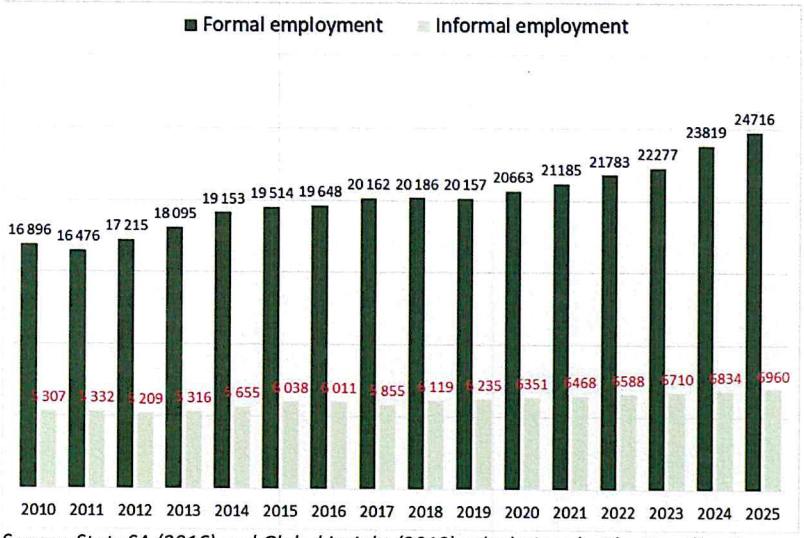


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Source: Stats SA (2016) and Global Insight (2019) calculations by The Frontline Group

Comparative analysis of employment in both formal and informal economies show that the formal sector employs significantly more labor force than the informal. On average, the informal economy employs approximately one third (30%) as much as the formal sector. Overtime, the rate of labor absorption in the formal sector is slightly higher than in the informal economy. This is evident in that while the informal sector employed 31% as much as the formal sector in 2010, this percentage is expected to decline to 28% in 2025. Both sectors employed a total of 27, 185 labor force in 2020, compared to 22,203 in 2020.

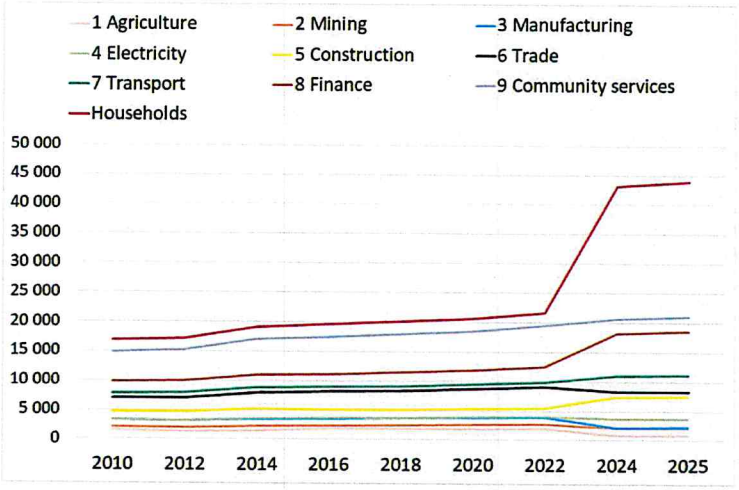
Figure 5: Total employment in Mtubatuba (broken down into formal and informal economy employment)



Source: Stats SA (2016) and Global Insight (2019) calculations by The Frontline Group

Focusing on the formal sector, household is the largest employer in the formal economy. Worth noting is that community services occupy second place, a similar trend observed in the informal economy. But while the community services sector employed 1200 labor force informally in 2020, it employed 17000 in the formal (7 times more).

Figure 6: Employment in the formal sector (Mtubatuba)



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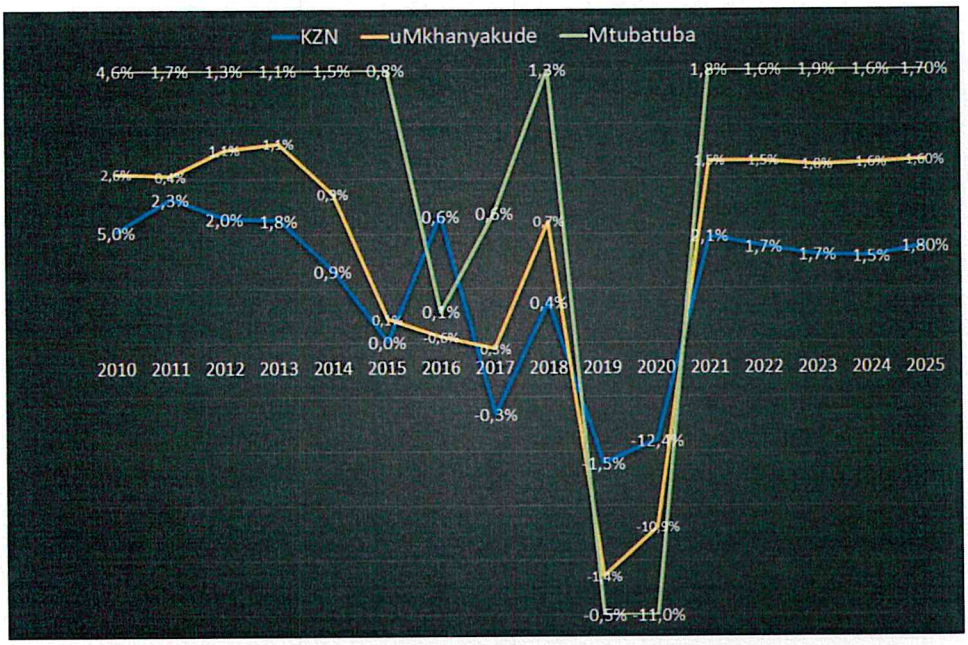
Source: Stats SA (2016) and Global Insight (2019) calculations by The Frontline Group

The various economic sectors are generally grouped into Primary sector – extraction of raw materials – mining, fishing and agriculture; secondary / manufacturing sector – concerned with producing finished goods, e.g., Construction sector, manufacturing and utilities, e.g. electricity and Service / 'tertiary' sector – concerned with offering intangible goods and services to consumers. This includes retail, tourism, banking, entertainment and I.T. services. More recently

the knowledge economy, education, and research & development form part of the quaternary sector. Trend analysis of the primary sector performance in Mtubatuba reveals that it grew at an annualized average of 5.2% between 2010 and 2014. The impact of recurring drought is seen in the negative growth performance of the primary sector between 2015 through 2019, although there is a growth spike in 2017 following several government interventions. The delayed impact of the Covid-19 pandemic is likely to be evident in the projected 2021 negative growth, and, the recovery is likely to be rather slow, expected to reach 1.4% in 2015.

The impact of the Covid-19 pandemic is expected to influence the worst performance in a decade, in Mtubatuba, uMkhanyakude and KZN. Keeping focus on Mtubatuba, the secondary sector is expected to stabilize between 2021 and 2025, at an average annual growth of 1,72%. This is however after a negative growth of -11% in 2020.

Figure 7: Annual Sector Growth (Secondary Sectors-2010 Prices)



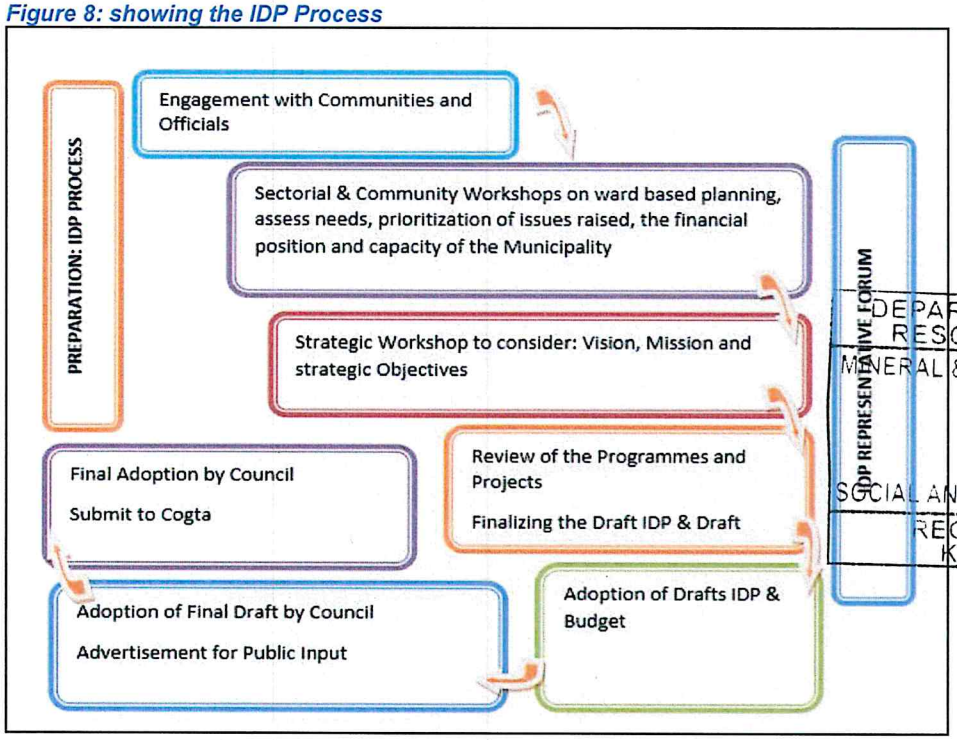
Source: Stats SA (2016) and Global Insight (2019) calculations by The Frontline Group

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4. HOW WAS THIS PLAN (IDP) DEVELOPED?

The Municipality developed a process plan for the compilation of Mtubatuba Municipality' five-year IDP and the process plan of the review was adopted by Council on August 2022. The plan is summarized in the following diagram:

Figure 8: showing the IDP Process



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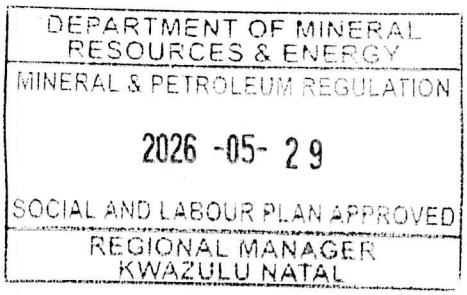
4.1 THE PROCESS PLAN, APPROACH AND METHODOLOGY

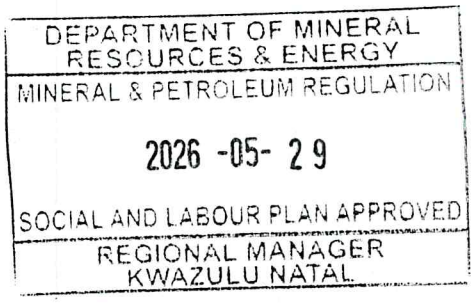
For the purposes of ensuring certain minimum quality standards of the IDP process including a proper co-ordination between and within spheres of government, the preparation of the Process Plan had been affected in terms of the regulations outlined in Chapter 5 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) MSA. COGTA also has set out a guide for formulation of the Process Plans. The preparation of a Process Plan, which is in essence the IDP preparation process set out in writing, requires adoption by Council and advertisement thereafter.

The plan includes the following:

- An indication of the organizational arrangements for the IDP process;
- Participation of civil communities, organs of state, traditional councils, and other role players in the IDP drafting process;

- Appropriate mechanisms, processes and procedures for consultation; Mechanisms and procedures for vertical and horizontal alignment;
- A programme specifying the time frames for the different planning steps; IDP Meetings;
- Cost estimates for the Planning Process; and
- Binding plans and planning requirements, i.e. policy and legislation





4.1.1 First Quarter (July - September)

The first quarter of the municipal financial year serves as the commencement of the implementation of the new budget and reviewed IDP while it is the start of the review process of the IDP for the following year. The most significant actions relates to the closure of the financial year that has lapsed. This refers to the annual audit report that needs to be submitted to the Auditor-General, which is normal practice irrespective of the term of Local government.

As part of the financial audit report, or as a separate report, the municipality will need to prepare and submit an annual performance report. This report or a similar report will need to be tabled at a public meeting as per MSA regulations during this period.

The IDP Process Plan will be adopted by the municipality during this period and will for all practical considerations not deviate substantially from year to year.

IDP, PMS and Budget Broad Action Plan

1st Quarter	IDP	OPMS	BUDGET
JULY	▪ IDP implementation (2022/23) ▪ Preparation of the IDP Process Plan for the 2023/24 IDP. ▪ Submission of the IDP Process Plan for assessment and comment by the DCOGTA ▪ First **District IDP RF Meeting** convenes –	▪ 4th quarterly review due 2022/23) ▪ Section 54/56 Employees performance contracts signed.	▪ Approval of budget implementation plan by the Mayor or the Executive.
AUGUST	▪ IDP Process Plan for the 2023/24 IDP preparation finalized and adopted by the Council. ▪ Commencement of IDP **Analysis Phase** (**Ward based consultation sessions**) ▪ First IDP Steering Committee Meeting	▪ Launch campaign to publish performance ▪ OPMS citizens report compiled	▪ Municipal Manager to submit annual financial statements to the AG for auditing **(MFMA S126)** ▪ Mayor to table Budget Timetable
SEPTEMBER	▪ Advertisement of the council adopted process plan (MSA S28) ▪ Continuation of IDP **Analysis Phase (internal assessment** ▪ First District Planners Forum Meeting –September ▪ Commencement of IDP **Strategies Phase**	▪ First quarterly review due ▪ PMS Audit Committee appointed	▪ Determination of revenue projections and draft initial allocations to powers and functions and departments for the 2023/24 Financial Year.

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4.1.2 Second Quarter (October - December)

During this period, any new relevant information impacting on the Local Municipality and the IDP will be considered as part of the new IDP preparation. Although there will be changing circumstances throughout the annual business cycle of the municipality this will inform the current status quo of the Municipality and subsequently the revised objectives, strategies and priority projects.

During this quarter, the draft budgets of national and provincial government should be finalised. This will then serve as the principle action which would inform and initialize the commencement of the Local Municipal budgetary process.

IDP, PMS and Budget Broad Action Plan

2nd Quarter	IDP	OPMS	BUDGET
OCTOBER	▪ Tabling of the **Status Quo Report** ▪ Evaluation of changed circumstances ▪ Second IDP Steering Committee Meeting ▪ Continuation of IDP **Strategies Phase** ▪ Development of sector Plans initiation ▪ District Planners Forum Meeting – November ▪ IDP/Budget Roadshow or Mayoral Imbizo – December (DC 27 and all LMs)	▪ 1st quarterly review due 22/23 Inform the IDP Preparation Process of KPA, objectives and strategies	▪ Review of national policies and budget plans and potential price increase of bulk resources
NOVEMBER	▪ Continuation of development of objectives and strategies ▪ Commencement of IDP **Projects Phase**	▪ Inform the IDP Preparation Process of KPA, objectives and strategies	▪ Initial budget review, taking into account the development of IDP objectives, strategies and projects ▪ National and Provincial departments prepare final draft budget
DECEMBER	▪ Continuation of IDP **Projects Phase** ▪ Second **IDP RF Meeting -December** ▪ Completion of Projects Proposals to inform Municipal, Provincial and National budget processes ▪ Third District **IDP Alignment Meeting** convenes ▪ District IDP RF Meeting –December 2022	▪ Inform the IDP Preparation Process of KPA, objectives and strategies	▪ Accounting Officer and senior officials consolidate and prepare proposed budget and plans for 2023/24 FY taking into account previous years' performance as per audited financial statements (commencement of draft budget) ▪ Council approves tariffs for 2023/24 Financial Year

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4.1.3 Third Quarter (January - March)

Due to the linkage between the IDP process and the budgeting process, the IDP preparation, which commenced at an earlier, could now more relevantly be drawn to a conclusion. During this period the draft IDP will be approved by the council and, the council approved draft IDP will be advertised for public comments, for the legislative period of 21 days.

As the final budgets of national and provincial government will be done during this period, and the gazetting of these anticipated, the draft IDP document for the next financial year could be presented to council and public as a final draft document.

At this stage, the performance management system will have concluding functions into the IDP. Consideration of the previous four quarters, inclusive of the findings of the annual evaluation of the PMS of the previous financial year will inform the finalisation of the draft IDP.

IDP, PMS and Budget Broad Action Plan

3rd Quarter	IDP	OPMS	BUDGET
JANUARY	▪ Continuation of Projects Planning ▪ Continuation of Sector Planning ▪ Commencement of the IDP **Alignment phase.** ▪ District Planners Forum meeting – January	▪ 2nd quarterly review due 2022/23 ▪ Bi-annual report preparation ▪ Tabling of Mid- Year Assessment Report to Council. ▪ Table in Council the Annual report of the Municipality for the year ended 30 June 2022.	▪ Review of proposed National and Provincial allocations to the Municipality for incorporation into the draft budget for tabling (Proposed National and Provincial allocations for three years must be made available by 20 January of each year) **MFMA s 36** ▪ Review all aspects of budget including any unforeseen & unavoidable expenditure in light of need for an adjustments budget. ▪ Consider mid-year (Sec 71 & 72) Reports, review implementation of budget & SDBIP.
FEBRUARY	▪ Integration of Processes ▪ Third IDP Steering Committee Meeting ▪ Finalization of draft IDP document ▪ District IDP RF meeting – February 2022	▪ Baseline information survey	▪ Tabling of the 2022/23 adjustment budget to Council ▪ Submission to Mayor proposed budgets and Plans for the next three years- budget taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual reports. ▪ Submit the tabled adjustments budget to the Provincial & National Treasury.

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5.4 MUNICIPAL CHALLENGES AND PROPOSED INTERVENTIONS

Mtubatuba Municipality acknowledges the findings and recommendations of the Auditor General made in respect of the 2021/22 Financial Year. The comments were instrumental in enriching the process towards the compilation and content of this IDP. To this end, therefore, an AG action plan has been developed to address all issues raised in the Audit Report and is attached as **Annexure A1.**

KPA-1: Municipal Transformation and Institutional Development	
Challenges	**Interventions**
Limited budget for Councillors and staff training	Source funding for training of staff and
KPA-2: Basic Service Delivery and Infrastructure Development	
Ageing of infrastructure	Developed a Comprehensive Infrastructure Plan (CIP) and need additional funding to implement the CIP. (National Treasury/Provincial Treasury/Department of Energy/COGTA/Private Sector
Inadequate funding for infrastructure development	Source funding to implement CIP from relevant funding sources/sector departments
Inadequate operations and Maintenance of plants	Hiring of plants for a three (3) year contract to prevent going for advert always as the turnaround time is long.
Backlog in Road Rehabilitation	Proper traffic count and comprehensive Pavement Management System need to be done
Limitation of Grants	Application of additional type of grants such as small
Lack of Spatial (Referencing) Capturing of capital projects (Mapping)	Appointment of a GIS Specialist to undertake spatial capturing-geo-referenced data for all capital
Housing backlog and lack of implementation of the Housing Sector Plan	A service provider for the review of the housing Sector plan has since been appointed. The housing sector plan will be completed
Non-functionality of IGR Structure	Strengthening of IGR structure
KPA-3: Local Economic Development	
Water crisis	To create an enabling environment in relation to water usage to reduce the negative impact resultant from the water crisis.
Review of LED Strategy	To facilitate growth and development within the Municipality. To alleviate poverty and create jobs.
KPA-4: Municipal Financial Viability and Management	

Reliance on government grant	To ensure that the Municipality is financially viable by exploiting new sources of revenue and consolidating debt management processes
Poor in accurate reporting (Financial)	To manage municipal finances in an efficient and Cost-effective manner to maximize value for all municipal resources. Data cleansing to ensure the accuracy of information To ensure accurate and reliable billing
Regression on Audit outcome	To strive for a Clean Audit Opinion
KPA-5: Good Governance and Public Participation	
Minimum participation affecting IGR Structures	To strengthen good relations with the District Municipality, Provincial and National Departments, service providers and strategic partnerships To streamline decision making processes and implementation To facilitate community development and involvement in all aspects of local governance. To ensure higher levels of community participation and understanding of powers and functions as well as constraints and opportunities
Gaps within the municipalities' communication strategy.	To develop an effective internal and external communication strategy
Non adherence to Batho Pele (Principles) White paper None implementation of Batho Pele	Adhere to the *Batho Pele* Policy Framework and Service Delivery Improvement Plan
KPA-6: Cross Cutting Interventions	
Lack of Integrated Spatial Plans	Review SDF and address the MEC-IDP Comments 2019/2020

5.5 SWOT ANALYSIS

The Municipality's SWOT Analysis is addressed in the Situational Analysis Chapter and is provided at the end of each Key Performance Area.

5.5.1 Municipal Goals, Strategic Objectives, Programmes, Projects and Budget 2023/2024

The Municipality's Goals, Strategic Objectives, Programmes and Projects are addressed in the Chapter 4: Development Strategies.

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5.5.2 Strategic Projects and Capital Investment Framework 2022/2023

The Capital Investment is annexed hereto

5.5.3 Mtubatuba Broad-Based Community Needs 2023/2024

The Project Phase is about the design and specification of projects for implementation. The Mtubatuba Municipality has to ensure that the projects/programmes identified have a direct linkage to the priority issues and the objectives that were identified in the preceding phases.

5.6 COMMUNITY DEVELOPMENT NEEDS AND PRIORITIES 2022/23 – 2026/27

The Municipality held a number of community participation meetings in all wards in order to obtain their basic needs and priorities. The list below has the needs and priorities for 23 wards in Mtubatuba Municipality.

EZWENELISHA HALL WARD 1		
NO.	**Community challenges**	**Area**
1.	Employment and skill opportunities for community members	Ward 1
2.	Water shortage at ward including Marula area	Ward 1
3.	Agricultural support at Emfolozi area	Ward 1
4.	High school	Ward 1
5.	Employment and skills opportunities	Ward 1
6.	Housing	Ward 1
7.	Poor network signal	Ward 1
8.	Roads in poor condition and Cuaseway at Enkanini	Ward 1
9.	Youth and sports activities	Ward 1
10.	LUMS education	Ward 1-23
11.	Bursaries	Ward 1-23
12.	Bridge at Enkanini	Ward 1
13.	Mtanami ngehlise hill is being eroded soil is covering the road	Ward 1
14.	Lightening conductors	Ward 1

VEZOBALA HALL WARD 2		
NO.	**Community challenges**	**Area**
1.	Bursaries	Ward 1-23
2.	Employment and skills opportunities for youth	Ward 2
3.	Electricity	Ward 2
4.	Water shortage ,water tanker shortage	Ward 2
5.	High school	Ward 2
6.	Roads upgrade and maintenance	Ward 2
7.	Agricultural support at Emfolozi	Ward 2
8.	High crime rate	Ward 2
9.	EPW programme	Ward 2
10.	Bakery container not functional	Ward 2
11.	ID campaigns	Ward 2
12.	Housing	Ward 2
13.	Life guards at Isimangaliso beach	Ward 2
14.	Skills development canter	Ward 2
15.	Dip tank	Ward 2

KHULANOMATHIYA HALL WARD 3		
NO.	**Community challenges**	**Area**
1.	Houses	Ward3
2.	Electricity and infills	Ward3
3.	Water shortage	Ward3
4.	Roads maintenance /upgrade	Ward3
5.	High crime rate	Ward3
6.	Poor network signal	Ward3
7.	Housing	Ward3
8.	Tourism business support and SMMEs	Ward3
9.	Graveyard shortage	Ward3
10.	Management of MPP / Transnet center	Ward3
11.	Extension of Khula hall	Ward3
12.	Market stall	Ward3
13.	High rate of illegal immigrants trading and employment in St Lucia	Ward3
14.	Ingonyama trust and ownership for Tourism opportunities	Ward3

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MTUBATUBA TOWN HALL WARD 4		
NO	**Community challenges**	**Area**
1.	High rate of illegal immigrants	Ward 4
2.	Shortage of water taps around town	Ward 4
3.	Career expo and wifi in town	Ward 4
4.	Electricity in market stalls	Ward 4
5.	Financial education through	Ward 4
6.	Widow's database	Ward 4
7.	Bursaries and development of Graduates	Ward 4
8.	Shortage of toilets	Ward 4
9.	Cleanliness	Ward 4
10.	By-laws	Ward 4
11.	Taxi rank	Ward 4
12.	OVC programmes	Ward 4
13.	Management of illegal park behind Mtuba library	Ward 4
14.	Renovation of town hall	Ward 4
15.	Maintenance of road to industrial area	Ward 4
16.	Extension of Mtuba clinic	Ward 4
17.	Renovation of Nordale hall	Ward 4
18.	Nordale sporstfiled not in good condition	Ward 4
19.	High crime rate around the forest in Nordale	Ward 4
20.	Street lights not working and high must lights	Ward 4
21.	Employment opportunities	Ward 4
22.	Agricultural support at Emfolozi	Ward 4
23.	Cutting of tress in municipal boundaries along the streets	Ward 4
24.	Mobile clinic in farm arears	Ward 4
25.	Transport shortage around farm areas	Ward 4
26.	Potholes	Ward 4
27.	Traffic control	Ward 4
28.	Hospital	Ward 4
29.	Public school	Ward 4
30.	Rates issue	Ward 4
31.	Blocked drainage system	Ward 4
32.	Parking shortage	Ward 4
33.	Redicting of traffic from industrial area to Riverview road	Town

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KWAMSANE HALL WARD 5		
NO	**Community challenges**	**Area**
1.	High school	Ward 5
2.	Hall at Embomeni	Ward 5
3.	High crime rate at the Forest	Ward 5
4.	Disability programmes and support	Ward 5
5.	Electricity infills	Ward 5
6.	SMMEs and Youth programmes	Ward 5
7.	Market stalls at	Ward 5
8.	Agricultural support at Emfolozi	Ward 5
9.	Tractors support for farmers	Ward 5
10.	MPPC at ward 5	Ward 5
11.	Water shortage and leakages	Ward 5
12.	Speed humps next to schools	Ward 5
13.	FET at Mtuba	Ward 5
14.	Maintenance of roads	Ward 5
15.	Indigent support on electricity	Ward 5
16.	OSS houses	Ward 5
17.	High mast lights	Ward 5
18.	Hospital	Ward 5
19.	Bridge connecting Hill 70 primary	Ward 5
20.	Tar road not in good condition	Ward 5
21.	Bus shelters	Ward 5
22.	Street naming at Indlovu village	Ward 5
23.	Creches at ward 5	Ward 5
24.	Sports complex	Ward 5
25.	Renovation of houses at Indlovu village	Ward 5

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KWAMSANE AREA WARD 6		
NO.	**Community challenges**	**Area**
1.	Water shortage /boreholes	Ward 6
2.	Roads maintenance	Ward 6
3.	Gravel roads around township	Ward 6
4.	Dumping skip beams	Ward 6
5.	KFC structure to be skills center	Ward 6
6.	Employment opportunities	Ward 6
7.	Electricity to be owned by Eskom	Ward 6
8.	Drainage system	Ward 6
9.	Cleaning of the stream	Ward 6
10.	SMME support	Ward 6
11.	Tittle deeds and property rates	Ward 6
12.	Bridge at KwaMsane stream	Ward 6
13.	Flea market at Mtuba	Ward 6
14.	Agricultural support	Ward 6
15.	High mast light	Ward 6
16.	Sports programmes	Ward 6
17.	Widows programmes	Ward 6
18.	Shopping complex at KwaMsane	Ward 6
19.	Street Names	Ward 6
20.	Substance abuse programmes	Ward 6

KWAMSANE AREA WARD 7		
NO.	**Community challenges**	**Area**
1.	Water shortage /boreholes	Ward 7
2.	Roads maintenance	Ward 7
3.	Housing	Ward 7
4.	Dumping skip beams	Ward 7
5.	Toilets	Ward 7
6.	Employment opportunities	Ward 7
7.	Electricity infills	Ward 7
8.	RDP houses	Ward 7
9.	Graveling of access roads	Ward 7
10.	SMME support	Ward 7
11.	Hall at ward 7	Ward 7
12.	Market stall	Ward 7
13.	Park at Embomeni	Ward 7
14.	Agricultural support	Ward 7
15.	High mast light	Ward 7
16.	Sports programmes	Ward 7
17.	Widows programmes	Ward 7
18.	Creches at ward 7	Ward 7
19.	Sports ground	Ward 7

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UPHAPHASI AREA WARD 8		
NO.	**Community challenges**	**Area**
1.	Housing	Ward 8
2.	Electricity infills	Ward 8
3.	OSS houses	Ward 8
4.	Water shortage and tankers	Ward 8
5.	SMME support	Ward 8
6.	Agricultural support at Enkatha area, fencing of gardening project at Mlungwana	Ward 8
7.	Roads gravelling	Ward 8
8.	Sports equipment	Ward 8
9.	Library	Ward 8
10.	Mobile clinic	Ward 8
11.	Illegal liquor traders	Ward 8
12.	Multipurpose centre	Ward 8
13.	Renovation of diptank at Enkatha	Ward 8
14.	Gravelling of roads	Ward 8

KWAMSHAYA HALL WARD 9		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Toilets	Ward 9
2.	Siyaqala Hall (Kwa-hhohho)	Ward 9
3.	Hospital	Ward 9
4.	SMME support	Ward 9
5.	Library at ward 9	Ward 9
6.	College Mtubatuba	Ward 9
7.	Sports ground	Ward 9
8.	Access roads	Ward 9
9.	Roads maintenance at Ogagwini to Ezinqaweni	Ward 9
10.	Clinic at Bhekani , roofing of Nkolokotho clinic	Ward 9
11.	Boreholes	Ward 9
12.	CCG support	Ward 9
13.	Sporstfield maintenance	Ward 9
14.	High Mast lights	Ward 9
15.	KwaMsane sport field be fixed	Ward 9
16.	Learnerships and skills development	Ward 9
17.	Agricultural support at Emfolozi	Ward 9
18.	Water issues	Ward 9

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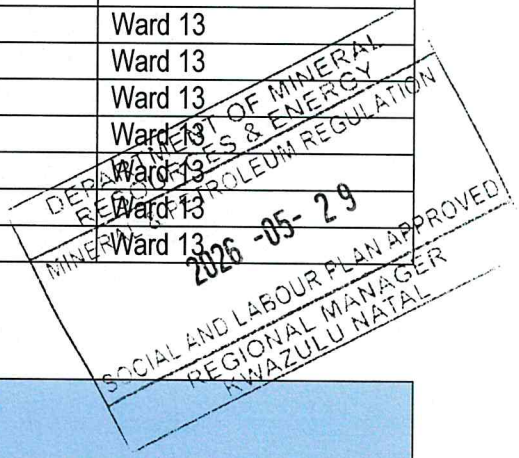
MACHIBINI SPORTS GROUND WARD 10		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Toilets	Ward 10
2.	Hospital	Ward 10
3.	SMME support	Ward 10
4.	Women's programmes	Ward 10
5.	College Mtubatuba	Ward 10
6.	Sports ground	Ward 10
7.	Access roads	Ward 10
8.	Lightening conductors	Ward 10
9.	CWP programmes	Ward 10
10.	Boreholes	Ward 10
11.	Support on Craft work	Ward 10
12.	Sporstfield maintenance	Ward 10
13.	High Mast lights	Ward 10
14.	Netball court	Ward 10
15.	Learnerships and skills development	Ward 10
16.	Agricultural support	Ward 10
17.	Water issues	Ward 10

NKOMBOSE HALL WARD 11		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Toilets	Ward 11
2.	Hospital	Ward 11
3.	SMME support	Ward 11
4.	Creche at EmaRomeni/ Mangundu	Ward 11
5.	Hall at ward 11	Ward 11
6.	Sports ground	Ward 11
7.	Access roads	Ward 11
8.	Employment opportunities	Ward 11
9.	Water tank at Swelihle area	Ward 11
10.	Boreholes	Ward 11
11.	Disability programmes	Ward 11
12.	Sporstfield maintenance	Ward 11
13.	High Mast lights	Ward 11
14.	Hospital at Mtuba	Ward 11
15.	Learnerships and skills development	Ward 11
16.	High crime rate	Ward 11
17	Water issues	Ward 11

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EBASWAZINI SPORTS GROUND WARD 12		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Rehabilitation of existing dams in Nsane & Ogengele area	Ward 12
2.	Mobile Clinic in Nsane Area	Ward 12
3.	Completion of Borehole in Nsane area Fixing of Borehole in Kwa- Ninela	Ward 12
4.	Access Road Ninela to Dutch at Baswazini area	Ward 12
5.	Housing & Fairness in housing allocation Housing in Ebaswazini area	Ward 12
6.	Sports ground & Soccer Attire	Ward 12
7.	Electricity Ebaswazini area	Ward 12
8.	Water Crisis Ebaswazini	Ward 12
9.	Sanitation Ebaswazini area	Ward 12
10.	Grader driver capacitation	Ward 12
11.	Employment opportunities	Ward 12
12.	Jojo tanks to have sufficient water	Ward 12
13.	Mobile Classes	Ward 12
14.	Access Road from Chibini to Welani Access Road from Mazibuko to school Road to Mvuzane & bridge	Ward 12
15.	Road from Nkwalini to Mtubatuba Primary school - Thempelina	Ward 12
16.	Assistance in a form of Tents for burials	Ward 12
17.	Toilets in Nkwalini (Infills)	Ward 12
18.	Youth unemployment	Ward 12
19.	Library in D1	Ward 12
20.	Rehabilitation of Kwa- Ninela Creche	Ward 12
21.	Mobile Clinic available but no toilet	Ward 12

NGQOPHENI HALL WARD 13		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Toilets	Ward 13
2.	Hospital	Ward 13
3.	SMME support	Ward 13
4.	Illegal electricity outages	Ward 13
5.	Hall at ward 13	Ward 13
6.	Sports ground	Ward 13
7.	Access roads	Ward 13
8.	Employment opportunities and skills dev.	Ward 13
9.	Quarry at Nsane road	Ward 13
10.	Boreholes	Ward 13
11.	Disability programmes	Ward 13
12.	Sporstfield maintenance	Ward 13
13.	High Mast lights	Ward 13
14.	Vegetables gardens at ward 13	Ward 13
15.	CCGs at ward 13	Ward 13
16.	High crime rate	Ward 13
17	Water issues	Ward 13
18.	EPWP programme	Ward 13
19.	Bridge at Nyalazi river	Ward 13
20.	Graduation programme	Ward 13



OGENGELE HALL WARD 14		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Electricity infills	Ward 14
2.	Hospital	Ward 14
3.	SMME support	Ward 14
4.	Illegal electricity	Ward 14
5.	Toilets	Ward 14
6.	Sports ground	Ward 14
7.	Access roads	Ward 14
8.	Employment opportunities and skills dev.	Ward 14
9.	Stock theft	Ward 14
10.	Boreholes	Ward 14
11.	Disability programmes	Ward 14
12.	Sporstfield maintenance	Ward 14
13.	High Mast lights	Ward 14
14.	Clinic at Shikishela	Ward 14
15.	High crime rate	Ward 14
16.	Creche at Ophondweni	Ward 14
17	Water issues	Ward 14
18.	SMME support	Ward 14
19.	Nyalazi bridge	Ward 14
20.	Graduation programme	Ward 14
21	Clinic at Ophondweni	Ward 14
22.	High school Ogengele	Ward 14
23.	Hall at Ekuthuleni	Ward 14

MAHUJINI HALL WARD 15		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Electricity infills	Ward 15
2.	Creche	Ward 15
3.	SMME support	Ward 15
4.	Illegal electricity	Ward 15
5.	Water shortage at Majonijoni	Ward 15
6.	Toilets	Ward 15
7.	Sports ground	Ward 15
8.	Access roads, road from Mthulasizwe to Njojo ,Gwebu to Mahujini	Ward 15
10.	Speed humps next to schools	Ward 15
11.	Employment opportunities and skills dev.	Ward 15
12.	Markert stalls	Ward 15
13	Stock theft	Ward 15
14.	Boreholes	Ward 15
15.	Drug abuse	Ward 15
16.	Disability programmes	Ward 15
17.	Sporstfield maintenance	Ward 15
18.	High Mast lights at Somkhele	Ward 15
15.	High crime rate	Ward 15
16.	Creche at Ophondweni	Ward 15
17	Water issues	Ward 15
18.	SMME support	Ward 15
19.	Nyalazi bridge	Ward 15
20	Pension pay points	Ward 15
21	Agri support	Ward 15

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GWABALANDA HALL WARD 16		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Electricity infills	Ward 16
2.	Creche	Ward 16
3.	SMME support	Ward 16
4.	Clinic At Mvutshini & KwaMtholo	Ward 16
5.	Community Hall at Bhekimpilo	Ward 16
6.	High School in Khulubone	Ward 16
7.	Poor Network coverage @ Mvutshini	Ward 16
8.	Dams	Ward 16
9.	Police Station	Ward 16
10.	Access roads in Thulasibone and Mvutshini area	Ward 16
11.	Community Meetings be held at Kwamtholo as the main VD	Ward 16
12.	Water; highschool and access roads in Khulubone area	Ward 16
13.	Sandlwane presently called Blood river must be given a proper name	Ward 16
14.	Hospital in Mtubatuba	Ward 16
15.	Lightening conductors in Gwabalanda	Ward 16
16.	Tap water on the new houses	Ward 16
17.	Tar road from Somkhele to oPhondweni	Ward 16
18.	Tar road from Mvutshini to Ophondweni	Ward 16
19.	Quarry in Mvutshini	Ward 16
20.	Restoration of the bridge that was affected by heavy erosions of rains	Ward 16
21.	Toilets	Ward 16
22.	Refurbishment of Access roads	Ward 16

BANGUTHULI HALL WARD 17		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Toilets	Ward 17
2.	Hospital	Ward 17
3.	SMME support	Ward 17
4.	Illegal electricity	Ward 17
5.	Electricity infills	Ward 17
6.	Sports ground	Ward 17
7.	Access roads	Ward 17
8.	Employment opportunities and skills dev.	Ward 17
9.	Stock theft	Ward 17
10.	Boreholes	Ward 17
11.	Disability programmes	Ward 17
12.	Sporstfield maintenance	Ward 17
13.	High Mast lights	Ward 17
14.	Clinic at Shikishela	Ward 17
15.	High crime rate	Ward 17
16.	Road to mgangatho, makhambane enduneni,	Ward 17
17	Water issues	Ward 17
18.	SMME support	Ward 17
19.	Hlazane bridge	Ward 17
20.	Graduation programme	Ward 17
21	Computer lab	Ward 17

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BHEKAMANDLA HALL WARD 18		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	SMME support	Ward 18
2.	Hall at Emadwaleni area	Ward 18
3.	Creches	Ward 18
4.	Clinic	Ward 18
5.	Agri support	Ward 18
6.	Water shortage	Ward 18
7.	Toilets	Ward 18
8.	Sports grounds	Ward 18
9.	Access roads,	Ward 18
10.	Electricity	Ward 18
11.	Employment opportunities and skills dev.	Ward 18
12.	Clinic at Shikishela	Ward 18
13.	Markert stalls	Ward 18
15	Stock theft	Ward 18
16.	High crime rate	Ward 18
17.	Drug abuse	Ward 18
16.	Disability programmes	Ward 18
17.	Sporstfield maintenance	Ward 18
18.	Dip tank at KwaShunqa	Ward 18
19.	Youth programmes	Ward 18
20.	ID campaigns	Ward 18
21.	Pension paypoints	Ward 18
22.	Crafters support on woodwork projects along N2	Ward 18

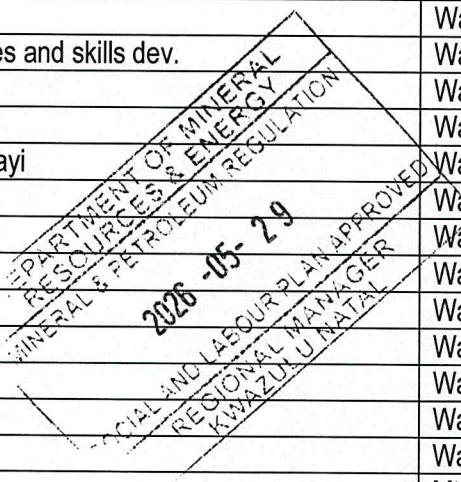
NTULUFAKAZI HALL WARD 19		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Renovation of market stalls	Ward 19
2.	Drug and substance abuse	Ward 19
3.	Creches	Ward 19
4.	Clinic	Ward 19
5.	Agri support	Ward 19
6.	Water shortage	Ward 19
7.	Toilets	Ward 19
8.	Sports grounds	Ward 19
9.	Access roads,	Ward 19
10.	Network coverage	Ward 19
11.	Electricity	Ward 19
12.	Employment opportunities and skills dev.	Ward 19
12.	Psychologist programmes	Ward 19
13.	Luncheon clubs	Ward 19
15	Stock theft	Ward 19
16.	High crime rate	Ward 19
17.	Abet classes	Ward 19
16.	Disability programmes	Ward 19
17.	Sporstfield maintenance	Ward 19
18.	ID campaign	Ward 19
19.	Youth programmes	Ward 19
20	Internet cafe	Ward 19
21.	Bridge at Ncemane	Ward 19

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ZABAZENDODA HALL WARD 20		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	SMME support	Ward 20
2.	Dams	Ward 20
3.	Creche at Manzamnandi	Ward 20
4.	Hall at Makhoba area	Ward 20
5.	Agri support	Ward 20
6.	Water shortage	Ward 20
7.	Toilets	Ward 20
8.	Sports grounds	Ward 20
9.	Access roads,	Ward 20
10.	Electricity	Ward 20
11.	Employment opportunities and skills dev.	Ward 20
12.	Boreholes	Ward 20
13.	Markert stalls	Ward 20
15	Lightning conductors	Ward 20
16.	Poor network coverage at Mvutshini	Ward 20
17.	Drug abuse	Ward 20
16.	Disability programmes	Ward 20
17.	Sporstfield at Makhoba	Ward 20
18.	Bridge at Msezane and Bethangwe	Ward 20
19.	Youth programmes	Ward 20
20.	Grazing camps	Ward 20
21.	Road from Ndombeni to Nkunzi and Madanyini to Mshayiwensimbi	Ward 20

22.	FET at Mtubatuba	Mtubatuba
23.	Bursaries	Ward 20
24.	Hospital at Mtubatuba	Mtubatuba
25.	Houses	Ward 20

MFEKAYI HALL WARD 21		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Police station at Mfekayi	Ward 21
2.	SMME support	Ward 21
3.	Creches at Mfekayi	Ward 21
4.	Career Expo	Ward 21
5.	Agri support	Ward 21
6.	Water shortage	Ward 21
7.	Toilets	Ward 21
8.	Sports grounds	Ward 21
9.	Access roads,	Ward 21
10.	Electricity	Ward 21
11.	Employment opportunities and skills dev.	Ward 21
12.	Boreholes	Ward 21
13.	Markert stalls	Ward 21
15	High Mast lights at Mfekayi	Ward 21
16.	Clinic	Ward 21
17.	Drug abuse	Ward 21
18.	Disability programmes	Ward 21
19.	Network coverage	Ward 21
20.	Computer programmes	Ward 21
21.	Youth programmes	Ward 21
22.	Houses	Ward 21
23.	Access roads	Ward 21
24.	FET at Mtubatuba	Mtubatuba
25.	Bursaries	Ward 21
26.	Hospital at Mtubatuba	Mtubatuba
27.	Luncheon clubs at Barcelona	Ward 21
28.	Pension paypoints	Ward 21
29.	OSS houses	Ward 21



NHLONHLWENI HALL WARD 22		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Hospital at Mtubatuba	Mtubatuba
2.	Support on local artists	Ward 22
3.	Creches	Ward 22
4.	Police statin at Mfekayi	Ward 22
5.	Agri support	Ward 22
6.	Water shortage	Ward 22
7.	Toilets	Ward 22
8.	Sports grounds	Ward 22
9.	Access roads,	Ward 22
10.	Electricity	Ward 22
11.	Employment opportunities and skills dev.	Ward 22
12.	Boreholes	Ward 22

13.	Markert stalls	Ward 22
15	Youth programmes	Ward 22
16.	Poor network coverage	Ward 22
17.	Drug abuse	Ward 22
16.	Disability programmes	Ward 22
18.	Sporstfield	Ward 22
19.	Primary school	Ward 22
20..	Youth programmes	Ward 22
21.	Lightning conductors	Ward 22
22.	Access roads	Ward 22
23.	FET at Mtubatuba	Mtubatuba
24.	Bursaries	Ward 22
25.	Hospital at Mtubatuba	Ward 22
26.	Houses	Ward 22
27.	Training centers	Ward 22

NKUNDUSI HALL WARD 23		
NO.	**COMMUNITY CHALLENGES**	**AREA**
1.	Hospital at Mtubatuba	Mtubatuba
2.	Houses	Ward 23
3.	Creches	Ward 23
4.	Police station at Mfekayi	Ward 23
5.	Agri support	Ward 23
6.	Water shortage	Ward 23
7.	Toilets	Ward 23
8.	Sports grounds	Ward 23
9.	Access roads,	Ward 23
10.	Electricity	Ward 23
11.	Employment opportunities and skills dev.	Ward 23
12.	Boreholes	Ward 23
13.	Markert stalls	Ward 23
15	Youth programmes	Ward 23
16.	Poor network coverage	Ward 23
17.	Drug abuse	Ward 23
18.	Disability programmes	Ward 23
19.	Sporstfield and sports equipment	Ward 23
20.	Bakery	Ward 23
21.	Youth programmes	Ward 23
22.	CCG programmes	Ward 23
22.	Access roads	Ward 23
23.	FET at Mtubatuba	Mtubatuba
24.	Bursaries	Ward 23
26.	Hospital at Mtubatuba	Ward 23
27.	Opening of Isimangaliso mouth	Ward 23
28	SMME support	Ward 23

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SMME meeting at Inkosi Mzondeni hall

Table 6: SMME meeting at Inkosi Mzondeni hall

No:	Community challenges	Area
1.	How Business people can improve the economy around Mtubatuba Municipal jurisdiction?	Mtubatuba area
2.	How does the Municipality differentiate imminent business owners and Business **masters** since the invitation stated that the meeting was for upcoming business people?	Mtubatuba area
3.	How the business committee was structured since it is not known by most of the business people.	Mtubatuba area
4.	The elected business committee, does it represent all races, work done by business people; is it balanced in terms of gender and how was it constituted?	Mtubatuba area
5.	Local electrical contractors requested to be given work by the municipality and be the 1st preference all the time	Mtubatuba area
6.	When will the infrastructure of the hospital commence	Mtubatuba area
7.	Tenders are being awarded without issuing notices	Mtubatuba area
8.	Street cameras should be installed in all street corners of the town to lessen the level of crime	Mtubatuba area
9.	Tractors that are stationed in the Municipality, when will they be apportioned to correct individuals or structures?	Mtubatuba area
10.	A factory must be built where all fruits and verges almost decayed from street venders can be processed for smoothies and juice	Mtubatuba area

5.7 DRAFT BUDGET 2023/2024

The Municipality's Budget for 2023/2024 – Refer to Annexure A



5.8 MSCOA COMPLIANCE

The Minister of Finance has, in terms of section 168 of the Local Government: Municipal Finance Management Act, 2003 (Act No.56 of 2003), and acting with the concurrence of the Minister of Co-operative Governance and Traditional Affairs gazetted the Municipal Regulations on Standard Chart of Accounts (MSCOA) into effect on 22 April 2014. The Municipal SCOA provides a uniform and standardised financial transaction classification framework. Fundamentally this means that the MSCOA prescribes the method (the how) and format (the look) that municipalities and their entities should use to record and classify all expenditure (capital and operating), revenue, assets and liabilities, policy outcomes and legislative reporting. This is done at transactional level and ensures that a municipality and its entities have minimum business processes in place. This will result in an improved understanding of the role of local government in the broader national policy framework and linkage to other government functions.

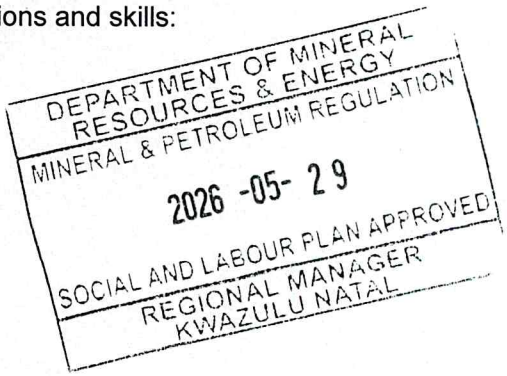
The Regulations apply to all municipalities and municipal entities and indicate their applicability and relevance to each specific municipal environment while simultaneously accommodating organisational uniqueness and structural distinctions. The Regulation provides for a three-year preparation and readiness window and all 278 municipalities had to be compliant to the MSCOA classification framework by 1 July 2017.

Chapter 6 of the MFMA tasks the Municipal Manager with managing the financial administration of the Municipality. Since MSCOA is a municipal business reform, the Municipal Manager has the overall responsibility to manage the successful implementation of the MSCOA project within the Municipality, to ensure the Municipality is able to capture all transactions (at posting level) in accordance with MSCOA within its respective financial applications (systems) by 1 July 2017 going forward.

MSCOA Terms of Reference

The Municipality's MSCOA Steering Committee should be multi-disciplinary and include members of top management, including the following functions and skills:

- Finance and Budgeting;
- Management;
- Risk management;
- Engineering, Technical and Planning;
- Information technology;
- Human resources;
- Community;
- Local Economic Development.



The representatives, at the appropriate senior level, of all departments should also be represented on the Steering Committee, which should be chaired by the Municipal Manager or a Project Sponsor, duly assigned the role in writing. Committee Members should be assigned in writing to the Steering Committee and their performance agreements amended to accommodate these responsibilities.

Composition of the MSCOA Steering Committee:

Table 7: The MSCOA Steering Committee Appointed by Accounting Officer

Chairperson	The Accounting Officer
Secretariat	Mr VK Gumede
Members	
Municipal Manager (Sponser)	Mr T.V Xulu
Director Community Services	Mr S.J Khoza
Deputy Chief Financial Officer	Mr Z MAZIBUKO
Director Corporate Services	Mr TV Mkhize
IDP /PMS Manager	Ms N.V. Ngobese
Human Resource Manager	Mr S Mthombeni
Manager Protection Services	Mrs N.B. Dlomo
Manager Expenditure Compliance & Reporting	Mr V.K Gumede
Manager Revenue	Ms L Mdluli
Manager ICT	Mr S.A Mchunu
Accountant Revenue	Miss L Shangase
Manager Expenditure	Mr F.M Thusi

5.9 BACK TO BASICS PROGRAMME

This section is addressed in **Section I of the IDP**

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5.10 OPERATION SUKUMA SAKHE PROGRAMME

This section is addressed in **section 8.2 of the IDP**

5.11 DEVELOPMENT OF NEW AND REVIEW OF SECTOR PLANS

This section is addressed in **section 5.9 of the IDP**

5.13 OUR LONG TERM VISION

VISION

MTUBATUBA TO BE A VIBRANT, RESPONSIVE, PROSPEROUS ECO-TOURIST CITY AND DEVELOPMENTAL HEARTLAND OF UMKHANYAKUDE DISTRICT, KWAZULU-NATAL".

MISSION STATEMENT

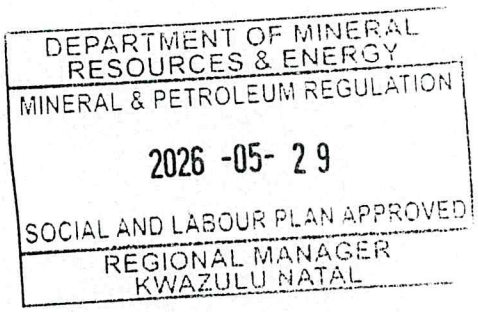
In order to achieve the above vision, Mtubatuba Municipality is committed to working with it's communities and stakeholders at large:

- Delivering **basic services** in a sustainable manner;
- Investing in new infrastructure;
- Creating conducive environment for **economic growth & development;**
- Encourage active citizenry and public participation; and
- Maintaining the globally **renowned heritage site and tourist** destination through Environmental management.

CORE VALUES

The *Batho-Pele* Principles are central to the operations of the Mtubatuba Municipality and, they therefore, inform the relations and interaction between the Municipality and its customers, community and other stakeholders. The following are the values upon which the Municipality operates:

- Professionalism;
- Transparency;
- Innovation;
- Excellence; and
- Integrity.



6. WHAT ARE WE GOING TO DO TO UNLOCK AND ADDRE CHALLENGES?

Table 8: What are we going to do to unlock and address challenges?

Key Performance Area	Issues Addressed / To Be Addressed
KPA 1: Municipal Transformation and	Support skills development through economic growth
KPA 2: Basic Service Delivery and	Ensure access to affordable, reliable, sustainable and modern energy for all
KPA 3: Local Economic Development	Improve the efficiency, innovative and variety of government led job creation programmes
KPA 4: Municipal Financial Viability and	Building government capacity
KPA 5: Good Governance and Public participation	Promote participative, facilitative and accountable governance
KPA 6: Cross Cutting Interventions	Ensure integrated land management use across Mtubatuba Municipality, ensuring equitable access to goods and services, attracting social and financial management

6.1 WHAT TO EXPECT FROM MTUBATUBA MUNICIPALITY OVER THE NEXT FIVE YEARS?

Table 9: What to expect from mtubatuba municipality over the next five years?

Key Performance Area	Issues Addressed / To Be Addressed
KPA 1: Municipal Transformation and	Support skills development through economic growth
KPA 2: Basic Service Delivery and Infrastructure Development	Ensure access to affordable, reliable, sustainable and modern energy for all
KPA 3: Local Economic Development	Improve the efficiency, innovative and variety of government led job creation
KPA 4: Municipal Financial Viability and	Building government capacity
KPA 5: Good Governance and Public participation	Promote participative, facilitative and accountable governance
KPA 6: Cross Cutting Interventions	Ensure integrated land management use across Mtubatuba Municipality, ensuring



6.2 HOW WILL OUR PROGRESS BE MEASURED?

The implementation of the IDP and the measurement of performance of the IDP strategies and projects should align with the performance management system of the organization. The MSA envisages that the IDP will equip the organization, its leaders, managers and workers, as well as all other local stakeholders, in decision-making, monitoring and reviewing the achievements of the Municipality in integrated development planning.

A concurrent process would integrate organizational performance with employee performance, ensuring that the IDP and organizational priorities are inculcated into the performance agreements and contracts with individual employees.

The link between these processes and systems lies in the organizational priorities which have been determined in the preparation of the Performance Management System with the contracts and the way in which they are designed and implemented.
The IDP was compiled on the basis of inputs received from municipal stakeholders, national and provincial policy directives, the current status of service delivery, various strategic plans completed and resources available. The municipal budget was prepared based on the municipal strategic objectives, the requirements applicable to the Municipality in the IDP. These strategies, actions and financial resources are linked with each other thus ensuring alignment of the municipal budget with the IDP.

These strategies will be used to formulate the service delivery budget implementation plan (SDBIP) and performance indicators for the Mtubatuba Municipality on an annual basis, which will be used to monitor the implementation of the municipal strategies (IDP) and budget. The Municipality's performance will then be assessed and reported on quarterly as well as annually in the Municipality's annual report.

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SECTION B:PLANNING AND DEVELOPMENT PRINCIPLES, GOVERNMENT POLICIES AND IMPERATIVES

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7. PLANNING AND DEVELOPMENT

The Integrated Development Planning (IDP) is a process by which Mtubatuba Municipality prepares its strategic development plan for the development of the 5th Generation IDP 2022/23 – 2026/27. The Integrated Development Planning as an instrument lies at the centre of the new system of developmental local government in South Africa and represents the driving force for making municipalities more strategic, inclusive, and responsive and assume a performance-driven character.

Inkosi uMtubatuba
LOCAL MUNICIPALITY

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Tendele Mining
Postnet Suite 208
P/Bag X013
Mtubatuba 3935

Dear Sir/Madam

RE: TENDELE SOCIAL AND LABOUR PLAN

This letter serves to confirm that in as much as Tendele Mining Pty (Ltd) has been unable to operate under its mining right as from June 2022, we are delighted to have gotten a report of the Mine's assumption of the operations in Emalahleni. We are hopeful that the Mine will proceed to other areas that fall under the mining right at the right time.

It is our understanding that Tendele Mining has its footprint in Ward 10,14 and 15 respectively, Mtubatuba Municipality but may extend its intervention to other wards that have a need. The senior management of the Inkosi Mtubatuba municipality had an opportunity to invite the Mine to understand the contents of its Social and Labour Plans. The municipality stressed to the Mine Social and Labour Plan Manager that alignment with the IDP remains imperative and crucial.

Tendele has chosen, among other projects, to build a community hall in Mahujini and to fix the 5km access road. It has been explained to the Mine management that the building plan for the hall has to be shared with our technical team before any construction could begin. There will be continued communication between the two entities to ensure smooth running and effective implementation of the selected projects.

The local municipality supports the projects as explained above and wishes that the Mine cooperates with the municipal technical team accordingly.

Kind Regards

Mrs Mchunu S.F.
HOD: Technical & Infrastructure Services
0604551984/0665826086

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KWAZULU-NATAL PROVINCE
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CNR THEMBALETHU & KLEBE STREET
MKHUZE, 3965
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UMKHANYAKUDE DISTRICT PLANNING SUB-DIRECTORATE
Date: 25 April 2025

Tendele Mining
Postnet Suite 208
P/Bag X013
Mtubatuba 3935

DEPARTMENT OF MINERAL RESOURCES & ENERGY
MINERAL & PETROLEUM REGULATION
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Dear Sir/Madam

RE: TENDELE SOCIAL AND LABOUR PLAN

This letter serves to confirm that Tendele Mining Pty (Ltd) has resumed its mining activities in Somkhele and has a legal obligation to make a socio-economic impact to the people through its Social and Labour Plan.

Tendele Mining has its footprint in Ward 10,14 and 15 respectively, Mtubatuba Municipality. The improvement of educational facilities including the early childhood development centres remains one of the areas that the Mine wishes to positively impact.

Effectively, Tendele wishes to refurbish two ECD centres in Emalahleni and Ophondweni. To be specific, the specific centres are Buhlebemfundo and Siyaqhubeka ECD's. Among other things, Tendele will improve the physical structures, supply playing equipment, provide some furniture and other related accessories.

As the government, we remain supportive of the public-private partnership initiatives that are aimed at supporting the culture of teaching and learning. We have advised Tendele of the fact that any intention to implement a significant alteration to the buildings will need to be communicated prior in order to allow the Department of Basic Education to guide and lead the acquisition of the necessary approvals.

Yours Faithfully

MOTHA TJ
DISTRICT DIRECTOR
UMKHANYAKUDE DISTRICT

25/04/2025
DATE