

# Community development in the mining industry requires buy in and training to be effective

By [Jacques Farmer](#)

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The updated Mining Charter has highlighted a number of Broad-Based Black Economic Empowerment (BBBEE) legislative changes intended to facilitate support of surrounding communities by mining companies through skills upliftment, training and employment opportunities. This is both necessary and commendable, however, training is the critical element to ensure that employment opportunities and careers are successfully secured by locals. Now is the time for organisations in mining and related sectors to use training to properly equip locals with the right skills to develop small businesses, foster job creation and stimulate local economies to create a mutually beneficial relationship for mines and their surrounding communities.



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## Local community development

The Mining Charter, read together with the Black Economic Empowerment Act Implementation Guidelines, is intended to facilitate sustainable transformation, growth and development of the mining industry, while the Mineral and Petroleum Resources Development Act provides a detailed framework regarding local communities to ensure that the mining rights-holders contribute towards the socio-economic development of the areas in which they are operating. These objectives are implemented through mandatory ownership requirements and social labour plans which deal with human resource development and local economic development programmes. Such social responsibility imposed on mining companies is enforced primarily by requiring applicants for mining rights to submit a social and labour plan with their application. Mining right holders must commit to investing sizeable amounts in the upliftment of employees and the local community, including:

- A human resource development programme (covering skills development, career progression, mentorship and internships and bursaries);
- A local economic development programme (covering infrastructure and poverty eradication projects, steps to address housing, as well as nutrition and living conditions of employees);
- A procurement progression plan and implementation for historically disadvantaged persons (for goods, services and consumables required by the mine); and
- Process plans to manage downscaling and retrenchment (including skills transferral).

An approved social and labour plan is a vital part of gaining approval on a mining right application, and failure to comply may result in suspension or cancellation of the right. Given the importance of such a plan, it is advisable that mining companies seek out the right training partner to ensure the success of their initiatives, from planning through to implementation.

## **Empowerment is a two-way conversation**

However, such plans cannot be one-sided, and buy-in is required from the affected community in order to be truly effective. This requires extensive consultation with community members, particularly through unemployment forums, culminating in a bipartite agreement between the mine and the community ensuring that they can benefit from mining activities in that area in a manner of their choosing. While training is important to ensure that the mining company has local access to the skills, they need to carry out operations, not all community members are likely to want to work physically in the mines.

In many cases, community members have other ideas on how to stimulate job creation and the local economy - all they need is the training support and financial backing to make it happen. To this end, the right specialist training partner will develop new training initiatives to facilitate the community's desire to uplift themselves on their own terms. For example, community members would like to supply materials to the mine or deliver a related service, but they lack the experience to compile a business plan. The right training partner will facilitate entrepreneurial development and assist with new venture creation, helping community members to set up ancillary businesses centred around the mine such as accommodation, catering and personal services for mine employees.

## **Measuring effectiveness**

Here, it's important for mining companies to seek out a training partner that focuses on more than just ticking boxes for nominal compliance in order to ensure that their investments are not wasted. Finding a company that prioritises both return on investment (ROI), as well as return on expectation (ROE) is key. A valuable metric for determining the success of training programs, ROE depends on participation and buy-in from both the mining company and the community in which this company operates. Training courses need to be designed to ensure that individuals take something of value away - this means looking for a partner that presents more than a one-dimensional training programme or intervention. Instead, it's worthwhile seeking out a partner that can communicate the bigger picture and outline the career trajectory in each training sphere right down to an individual level - a partner that values ethical business practices, transparent communication and who is passionate about sustainable community development.

## **ABOUT THE AUTHOR**

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