SOCIAL IMPACT ASSESSMENT

LOXTON WIND ENERGY FACILITY 2

NORTHERN CAPE PROVINCE

APRIL 2023

Prepared

By

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EXECUTIVE SUMMARY

INTRODUCTION AND LOCATION

Arcus Consultancy Services (SA) (Pty) Ltd (Arcus) was appointed to manage the Environmental Impact Assessment (EIA) process for the proposed MW Loxton Wind Energy Facility (WEF) 2 and associated infrastructure located approximately 10 km north of the town of Loxton in the Ubuntu Local Municipality (ULM) in the Northern Cape Province. The Loxton WEF 2 is one of three WEF's proposed in the area. The other two WEFs are the Loxton WEF 1 and Loxton WEF 3 and are subject to separate EIA processes.

Tony Barbour Environmental Consulting was appointed to undertake a specialist Social Impact Assessment (SIA) as part of an EIA process.

SUMMARY OF KEY FINDINGS

KEY FINDINGS

The key findings of the study are summarised under the following sections:

- Fit with policy and planning.
- Construction phase impacts.
- Operational phase impacts.
- Cumulative impacts.
- Decommissioning phase impacts.
- No-development option.

POLICY AND PLANNING ISSUES

The development of renewable energy is strongly supported at a national, provincial, and local level. The development of and investment in renewable energy is supported by the National Development Plan (NDP), New Growth Path Framework and National Infrastructure Plan, which all refer to and support renewable energy. Development of renewable energy is also supported at a provincial and local level. The development of the proposed WEF is therefore supported by key policy and planning documents.

CONSTRUCTION PHASE

Potential positive impacts

- Creation of employment and business opportunities, and the opportunity for skills development and on-site training.

The construction phase will extend over a period of approximately 24 - 30 months and create in the region of 350 employment opportunities. Members from the local communities in Loxton, Victoria West and Carnarvon would qualify for a percentage of low skilled and semi-skilled employment opportunities and a number of skilled opportunities. The Most of these employment opportunities will accrue to Historically Disadvantaged (HD) members from the local community. Given relatively high local unemployment levels and limited job opportunities in the area, this will represent a significant, if localised, social benefit. The total wage bill will be in the region of R

150 million (2023 Rand values). A percentage of the wage bill will be spent in the local economy which will also create opportunities for local businesses in the ULM. The capital expenditure associated with the construction phase will be approximately R 12 billion (2023 Rand value). This will create opportunities for local companies and the regional and local economy. The local service sector will also benefit from the construction phase. The potential opportunities would be linked to accommodation, catering, cleaning, transport, and security, etc. associated with the construction workers on the site.

Potential negative impacts

- Impacts associated with the presence of construction workers on local communities.
- Impacts related to the potential influx of jobseekers.
- Increased risks to livestock and farming infrastructure associated with the construction related activities and presence of construction workers on the site.
- Increased risk of grass fires associated with construction related activities.
- Nuisance impacts, such as noise, dust, and safety, associated with construction related activities and vehicles.
- Impact on productive farmland.

The findings of the SIA indicate that the significance of the potential negative impacts with mitigation will be **Low Negative**. The potential negative impacts associated with the proposed construction phase can therefore be effectively mitigated if the recommended mitigation measures are implemented. Table 1 summarises the significance of the impacts associated with the construction phase.

Table 1: Summary of social impacts during construction phase

Impact	Significance No Mitigation/Enhancement	Significance With Mitigation/Enhancement
Creation of employment and business opportunities	Moderate (+)	Moderate (+)
Presence of construction workers and potential impacts on family structures and social networks	Low (-)	Low (-)
Influx of job seekers	Low (-)	Low (-)
Safety risk, stock theft and damage to farm infrastructure associated with presence of construction workers	Moderate (-)	Low (-)
Increased risk of grass fires	Moderate (-)	Low (-)
Impact of heavy vehicles and construction activities	Moderate (-)	Low (-)
Loss of farmland	Moderate (-)	Low (-)

OPERATIONAL PHASE

Potential positive impacts

- Establish infrastructure to generate renewable energy.

- Creation of employment opportunities.
- Benefits associated with establishment of community trust.
- Benefits for local landowners.

The proposed project will supplement South Africa's energy and assist to improve energy security. In addition, it will also reduce the country's reliance on coal as an energy source. This represents a positive social benefit.

Potential negative impacts
- Visual impacts and associated impacts on sense of place.
- Potential impact on property values.
- Potential impact on tourism.

The findings of the SIA indicate that the significance of all the potential negative impacts with mitigation will be **Low Negative**. While the findings of the VIA indicate that the potential visual impacts will be **Moderate Negative**, none of the affected landowners identified visual as an issue. However, perception of what constitutes a visual impact is subjective and varies from person to person.

The potential negative impacts can therefore be effectively mitigated. The significance of the impacts associated with the operational phase are summarised in Table 2.

Table 2: Summary of social impacts during operational phase

Impact	Significance No Mitigation/Enhancement	Significance With Mitigation/Enhancement
Establish infrastructure to generate renewable energy	Moderate (+)	Moderate (+)
Creation of employment and business opportunities during maintenance	Low (+)	Moderate (+)
Benefits associated with the local economic development initiatives	Moderate (+)	High (+)
Benefits for landowners	Low (+)	Moderate (+)
Visual impact and impact on sense of place	Moderate-High (-)	Moderate-High (-)
Impact on property values	Low (-)	Low (-)
Impact on tourism	Low (-)	Low (-)

CUMULATIVE IMPACTS

Cumulative impact on sense of place
The establishment of the proposed WEF and the two other WEFs associated with the Loxton WEF Cluster will create the potential for combined and sequential visibility impacts. The proposed Hoogland North and Nuweveld WEF fall within 35 km radii of the site. Only parts of the Hoogland North WEF would potentially be seen in combination with the Loxton 2 WEF. The cumulative impact on the area's sense of place is rated as **Moderate Negative.**

Cumulative impact on local services and accommodation
The potential cumulative impact on local services, such as water, sewage etc, and accommodation will depend on the timing construction phases for the three Loxton WEF projects. With effective planning the significance of the potential impact was rated as **Low Negative**.

Cumulative impact on local economy
The significance of this impact with enhancement was rated as **Moderate Positive**.

DECOMMISSIONING

Given the relatively small number of people employed during the operational phase (~ 40-50), the potential negative social impact can be effectively managed with the implementation of a retrenchment and downscaling programme. With mitigation, the impacts are assessed to be Low (negative). Decommissioning will also create temporary employment opportunities. The significance was assessed to be Low (positive).

NO-DEVELOPMENT OPTION

The No-Development option would represent a lost opportunity for South Africa to generate renewable energy. This would represent a significant negative social cost.

CONCLUSION AND RECOMMENDATIONS

Conclusion
The findings of the SIA study indicate that the proposed Loxton WEF 2 and associated infrastructure will create a number of social and socio-economic benefits, including creation of employment and business opportunities during both the construction and operational phase. The project will also create economic development opportunities for the local community. The enhancement measures listed in the report should be implemented in order to maximise the potential benefits. The significance of this impact is rated as **High Positive**. The proposed development also represents an investment in clean, renewable energy infrastructure, which, given the negative environmental and socio-economic impacts associated a coal-based energy economy and the challenges created by climate change, represents a significant positive social benefit for society as a whole. The Renewable Energy Independent Power Producers Procurement Programme (REIPPPP) has resulted in significant socio-economic benefits, both at a national level and at a local, community level. These benefits are linked to foreign Direct Investment, local employment and procurement and investment in local community initiatives. The findings also indicate that the potential negative impacts associated with both the construction and operational phase are likely to be **Low Negative** with mitigation. The potential negative impacts can therefore be effectively mitigated if the recommended mitigation measures are implemented.

Statement and reasoned opinion
The establishment of the proposed Loxton WEF 2 and associated infrastructure is therefore supported by the findings of the SIA.

Recommendations
The proponent should investigate the issues raised by the owner of Saaidam 574/RE during the detailed design phase prior to construction.

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CONTENTS OF THE SPECIALIST REPORT – CHECKLIST

Regulation GNR 326 of 4 December 2014, as amended 7 April 2017, Appendix 6	**Section of Report**
(a) details of the specialist who prepared the report; and the expertise of that specialist to compile a specialist report including a *curriculum vitae*;	Section 1.6, Annexure C
(b) a declaration that the specialist is independent in a form as may be specified by the competent authority;	Section 1.7, Annexure D
(c) an indication of the scope of, and the purpose for which, the report was prepared;	Section 1.1, Section 1.2
(cA) an indication of the quality and age of base data used for the specialist report;	Section 1.2, Section 3
(cB) a description of existing impacts on the site, cumulative impacts of the proposed development and levels of acceptable change;	Section 4
(d) the duration, date and season of the site investigation and the relevance of the season to the outcome of the assessment;	N/A for SIA
(e) a description of the methodology adopted in preparing the report or carrying out the specialised process inclusive of equipment and modelling used;	Section 1.2, Annexure B
(f) details of an assessment of the specific identified sensitivity of the site related to the proposed activity or activities and its associated structures and infrastructure, inclusive of a site plan identifying site alternatives;	Section 4, Section 5
(g) an identification of any areas to be avoided, including buffers;	N/A
(h) a map superimposing the activity including the associated structures and infrastructure on the environmental sensitivities of the site including areas to be avoided, including buffers;	Section 3
(i) a description of any assumptions made and any uncertainties or gaps in knowledge;	Section 1.5
(j) a description of the findings and potential implications of such findings on the impact of the proposed activity, including identified alternatives on the environment, or activities;	Section 4, Section 5,
(k) any mitigation measures for inclusion in the EMPr;	Section 4
(l) any conditions for inclusion in the environmental authorisation;	Section 4, Section 5
(m) any monitoring requirements for inclusion in the EMPr or environmental authorisation;	N/A
(n) a reasoned opinion— i. as to whether the proposed activity, activities or portions thereof should be authorised; iA. Regarding the acceptability of the proposed activity or activities; and ii. if the opinion is that the proposed activity, activities or portions thereof should be authorised, any avoidance, management and mitigation measures that should be included in the EMPr or Environmental Authorization, and where applicable, the closure plan;	Section 5.3
(o) a summary and copies of any comments received during any consultation process and where applicable all responses thereto; and	Comments contained in Comments and Response Report
(p) any other information requested by the competent authority	N/A
Where a government notice gazetted by the Minister provides for any protocol or minimum information requirement to be applied to a specialist report, the requirements as indicated in such notice will apply.	

ACRONYMS

BESS	Battery Energy Storage System
DFFE	Department of Forestry Fisheries and the Environment
DEA&DP	Department of Environmental Affairs and Development Planning
DM	District Municipality
EIA	Environmental Impact Assessment
HD	Historically Disadvantaged
IDP	Integrated Development Plan
IPP	Independent Power Producer
kV	Kilovolts
LED	Local Economic Development
LM	Local Municipality
MW	Megawatt
PGDS	Provincial Growth and Development Strategy
PKSDM	Pixley Ka Seme District Municipality
SDF	Spatial Development Framework
SIA	Social Impact Assessment
ULM	Ubuntu Local Municipality
WEF	Wind Energy Facility

SECTION 1: INTRODUCTION

1.1 INTRODUCTION

Arcus Consultancy Services (SA) (Pty) Ltd (Arcus) was appointed to manage the Environmental Impact Assessment (EIA) process for the proposed up to 480 MW Loxton Wind Energy Facility (WEF) 2 and associated infrastructure located approximately 10 km north of the town of Loxton in the Ubuntu Local Municipality (ULM) in the Northern Cape Province (Figure 1.1). The Loxton WEF 2 is one of three WEF's proposed in the area by the developer. The other two WEFs are the Loxton WEF 1 and Loxton WEF 3 and are subject to separate EIA processes.

Tony Barbour Environmental Consulting was appointed to undertake a specialist Social Impact Assessment (SIA) as part of an EIA process.

Figure 1.1: Location of Loxton 2 WEF Development area (Green outline)

1.2 TERMS OF REFERENCE AND APPROACH

The approach to the SIA study is based on the Western Cape Department of Environmental Affairs and Development Planning Guidelines for Social Impact Assessment (February 2007) and IAIA Guidance for Assessing and Managing Social Impacts (2015). The key activities in the SIA process embodied in the guidelines include:

- Describing and obtaining an understanding of the proposed intervention (type, scale, and location), the settlements, and communities likely to be affected by the proposed project.

- Collecting baseline data on the current social and economic environment.
- Identifying the key potential social issues associated with the proposed project. This requires a site visit to the area and consultation with affected individuals and communities. As part of the process a basic information document was prepared and made available to key interested and affected parties. The aim of the document was to inform the affected parties of the nature and activities associated with the construction and operation of the proposed development to enable them to better understand and comment on the potential social issues and impacts.
- Assessing and documenting the significance of social impacts associated with the proposed intervention.
- Identifying and assessing alternatives and recommending mitigation measures.

In this regard the study involved:

- Review of socio-economic data for the study area.
- Review of relevant planning and policy frameworks for the area.
- Review of information from similar studies, including the SIAs undertaken for other renewable energy projects.
- Site visit and interviews with key stakeholders.
- Identifying the key potential social issues associated with the proposed project.
- Assessing and assessing the significance of social impacts associated with the proposed project.
- Identification of enhancement and mitigation measures aimed at maximizing opportunities and avoiding and or reducing negative impacts.

Annexure A contains a list of the secondary information reviewed and interviews conducted. Annexure B summarises the assessment methodology used to assign significance ratings to the assessment process.

1.3 PROJECT DESCRIPTION

The applicant Loxton Wind Facility 2 (Pty) Ltd is proposing the development of a commercial Wind Energy Facility (WEF) and associated infrastructure on a site located approximately 10 km North of Loxton within the Ubuntu Local Municipality and the Pixley Ka Seme District Municipality in the Northern Cape Province. Two additional WEF's are concurrently being considered on the surrounding properties and are assessed by way of separate impact assessment processes contained in the 2014 Environmental Impact Assessment Regulations (GN No. R982, as amended) for listed activities contained in Listing Notices 1, 2 and 3 (GN R983, R984 and R985, as amended). These projects are known as Loxton WEF 1 and Loxton WEF 3.

A preferred project site with an extent of approximately 58 000 ha has been identified as a technically suitable area for the development of the three WEF projects. The Loxton WEF 2 will comprise of up to 61 turbines with a contracted capacity of up to 480 MW and permeant footprint of up to 110 ha. The Loxton WEF 1 and WEF 3 will comprise of up to 38 and 41 turbines respectively and will each have a contracted capacity of up to 240MW with a permanent footprint of up to 65 ha.

The Loxton WEF 2 project site covers approximately 14 000 ha and comprises the following farm portions:

- Portion 4 of the Farm Rietfontein No. 572.
- Portion 12 of the Farm Rietfontein No. 572.
- Portion 11 of the Farm Rietfontein No.572.

- Remaining Extent of Farm Rietfontein No.572.
- Remaining Extent of the Farm Saaidam No. 574.
- Remaining Extent of the Farm Yzervarkspoort No. 139.
- Portion 2 of the Farm Yzervarkspoort No. 139.

The Loxton WEF 2 project site is proposed to accommodate the following infrastructure, which will enable the wind farm to supply a contracted capacity of up to 480 MW:

- Up to 61 wind turbines with a maximum hub height of up to 160 m and a rotor diameter of up to 200 m.
- A transformer at the base of each turbine.
- Concrete turbine foundations with a permanent footprint of approximately 9.1 ha.
- Each turbine will have a crane hardstand of 70 m x 45 m. The permanent footprint for turbine hardstands will be up to approximately 20 ha.
- Each turbine will have a temporary blade hardstand of 80 m x 45 m. The temporary footprint for blade hardstands will be up to approximately 23 ha.
- Temporary laydown areas (with a combined footprint of up to approximately 38 ha) which will accommodate the boom erection, storage and assembly area.
- Battery Energy Storage System (with a footprint of up to 10 ha).
- Two construction period laydown areas (temporary) up to 6 ha each.
- Cabling between the turbines, to be laid underground where practical.
- Two on-site substations of up to 2 ha each in extent to facilitate the connection between the wind farm and the electricity grid.
- Access roads to the site and between project components inclusive of stormwater infrastructure. A 12 m road corridor may be temporarily impacted upon during construction and rehabilitated to 6m wide after construction. The WEF will have a total road network of up to 100 km (approximately 60 ha).
- Two temporary site camp establishment and concrete batching plants (each with a combined footprint of up to 2 ha)
- Two Operation and Maintenance buildings (each with a combined footprint of up to 2 ha) including a gate house, security building, control centre, offices, warehouses, a workshop, and visitor's centre.

Currently there are two grid connection alternatives which have been proposed and will be assessed as part of a separate NEMA process. Both alternatives will include an up to 400 kV overhead powerline (OHL) within a 500 m assessment corridor. One alternative will consider a route from the onsite Switching Station/Collector Station to the Gamma MTS, and the other will consider a route to an IPP driven MTS. The EA applications for the wind farm project and grid connection infrastructure are being undertaken in parallel as they are co-dependent, i.e. one will not be developed without the other.

Photograph 1.1: Typical example of wind turbine

Photograph 1.2: Example of BESS located in storage containers

1.4 ASSUMPTIONS AND LIMITATIONS

1.4.1 Assumptions

Technical suitability
It is assumed that the development site represents a technically suitable site for the establishment of the proposed WEF and associated infrastructure.

Strategic importance of the project
The strategic importance of promoting renewable and other forms of energy is supported by the national and provincial energy policies.

Fit with planning and policy requirements
Legislation and policies reflect societal norms and values. The legislative and policy context therefore plays an important role in identifying and assessing the potential social impacts associated with a proposed development. In this regard, a key component of the SIA process is to assess the proposed development in terms of its fit with key planning and policy documents. As such, if the findings of the study indicate that the proposed development in its current format does not conform to the spatial principles and guidelines contained in the relevant legislation and planning documents, and there are no significant or unique opportunities created by the development, the development cannot be supported.

1.4.2 Limitations

Demographic data
Some of the provincial documents do not contain data from the 2011 Census and or 2016 Household Community Survey. However, where required the relevant 2011 and 2016 data has been provided.

1.5 SPECIALIST DETAILS

Tony Barbour, the lead author of this report, is an independent specialist with 30 years' experience in the field of environmental management. In terms of SIA experience Tony Barbour has undertaken in the region of 300 SIAs and is the author of the Guidelines for Social Impact Assessments for EIA's adopted by the Department of Environmental Affairs and Development Planning (DEA&DP) in the Western Cape in 2007. Annexure C contains a copy of Tony Barbour's CV.

Schalk van der Merwe, the co-author of this report, has an MPhil in Environmental Management from the University of Cape Town and has worked closely with Tony Barbour over the last seventeen years.

1.6 DECLARATION OF INDEPENDENCE

This confirms that Tony Barbour and Schalk van der Merwe, the specialist consultants responsible for undertaking the study and preparing the SIA Report, are independent and do not have any vested or financial interests in the proposed power line being either approved or rejected. Annexure D contains a signed declaration of independence.

1.7 REPORT STUCTURE

The report is divided into five sections, namely:

- Section 1: Introduction.
- Section 2: Summary of key policy and planning documents.
- Section 3: Overview of the study area.
- Section 4: Identification and assessment of key social issues.
- Section 5: Summary of key findings and recommendations.

SECTION 2: POLICY AND PLANNING ENVIRONMENT

2.1 INTRODUCTION

Legislation and policy embody and reflect key societal norms, values, and developmental goals. The legislative and policy context therefore plays an important role in identifying, assessing, and evaluating the significance of potential social impacts associated with any given proposed development. An assessment of the "policy and planning fit[1]" of the proposed development therefore constitutes a key aspect of the Social Impact Assessment (SIA). In this regard, assessment of "planning fit" conforms to international best practice for conducting SIAs.

Section 2 provides an overview of the policy and planning environment affecting the proposed project. For the purposes of meeting the objectives of the SIA the following policy and planning documents were reviewed:

- The National Energy Act (2008).
- The White Paper on the Energy Policy of the Republic of South Africa (December 1998).
- The White Paper on Renewable Energy (November 2003).
- Integrated Resource Plan (IRP) for South Africa (2010-2030).
- The National Development Plan (2011).
- Northern Cape Provincial Growth and Development Strategy (2004-2014).
- Northern Cape Climate Change Response Strategy.
- Northern Cape Spatial Development Framework (2012).
- Northern Cape Province Green Document (2017/2018).
- Pixley ka Seme District Municipality Integrated Development Plan (2019-2020).
- Pixley ka Seme District Municipality Spatial Development Framework (2017);
- Ubuntu Local Municipality Integrated Development Plan (2019-2020).

The section also provides a review of the renewable energy sector in South Africa.

2.2 NATIONAL POLICY ENVIRONMENT

2.2.1 National Energy Act (Act No 34 of 2008)

The National Energy Act was promulgated in 2008 (Act No 34 of 2008). One of the objectives of the Act was to promote diversity of supply of energy and its sources. In this regard, the preamble makes direct reference to renewable resources, including solar and wind:

"To ensure that diverse energy resources are available, in sustainable quantities, and at affordable prices, to the South African economy, in support of economic growth and poverty alleviation, taking into account environmental management requirements (…); to provide for (…) increased generation and consumption of renewable energies" (Preamble).

[1] Planning fit" can simply be described as the extent to which any relevant development satisfies the core criteria of appropriateness, need, and desirability, as defined or circumscribed by the relevant applicable legislation and policy documents at a given time.

2.2.2 White Paper on the Energy Policy of the Republic of South Africa

Investment in renewable energy initiatives, such as the proposed WEF, is supported by the White Paper on Energy Policy for South Africa (December 1998). In this regard, the document notes:

"Government policy is based on an understanding that renewables are energy sources in their own right, are not limited to small-scale and remote applications, and have significant medium and long-term commercial potential".

"Renewable resources generally operate from an unlimited resource base and, as such, can increasingly contribute towards a long-term sustainable energy future".

The support for renewable energy policy is guided by a rationale that South Africa has a very attractive range of renewable resources, particularly ***solar*** and wind and that renewable applications are in fact the least cost energy service in many cases; more so when social and environmental costs are taken into account.

Government policy on renewable energy is thus concerned with meeting the following challenges:

- Ensuring that economically feasible technologies and applications are implemented.
- Ensuring that an equitable level of national resources is invested in renewable technologies, given their potential, and compared to investments in other energy supply options.
- Addressing constraints on the development of the renewable industry.

The White Paper also acknowledges that South Africa has neglected the development and implementation of renewable energy applications, despite the fact that the country's renewable energy resource base is extensive, and many appropriate applications exist.

2.2.3 White Paper on Renewable Energy

The White Paper on Renewable Energy (November 2003) (further referred to as the White Paper) supplements the *White Paper on Energy Policy*, which recognizes that the medium and long-term potential of renewable energy is significant. This Paper sets out Government's vision, policy principles, strategic goals, and objectives for promoting and implementing renewable energy in South Africa.

The White Paper notes that while South Africa is well endowed with renewable energy resources that have the potential to become sustainable alternatives to fossil fuels, these have thus far remained largely untapped. As signatory to the Kyoto Protocol[2], Government is determined to make good the country's commitment to reducing greenhouse gas emissions. To this purpose, Government has committed itself to the

[2] The Kyoto Protocol is a protocol to the United Nations Framework Convention on Climate Change (UNFCCC), aimed at fighting global warming. The UNFCCC is an international environmental treaty with the goal of achieving "stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system". The Protocol was initially adopted on 11 December 1997 in Kyoto, Japan and entered into force on 16 February 2005. As of November 2009, 187 states have signed and ratified the protocol (Wikipedia).

development of a framework in which a national renewable energy framework can be established and operate.

South Africa is also a signatory of the Copenhagen Accord, a document that delegates at the 15th session of the Conference of Parties (COP 15) to the United Nations Framework Convention on Climate Change agreed to "take note of" at the final plenary on 18 December 2009. The accord endorses the continuation of the Kyoto Protocol and confirms that climate change is one of the greatest challenges facing the world. In terms of the accord South Africa committed itself to a reduction target of 34% compared to business as usual. In this regard, the IRP 2010 aims to allocate 43% of new energy generation facilities in South Africa to renewables.

Apart from the reduction of greenhouse gas emissions, the promotion of renewable energy sources is aimed at ensuring energy security through the diversification of supply (in this regard, also refer to the objectives of the National Energy Act).

Government's long-term goal is the establishment of a renewable energy industry producing modern energy carriers that will offer in future years a sustainable, fully non-subsidised alternative to fossil fuels.

2.2.4 Integrated Resource Plan (2019)

South Africa's National Development Plan (NDP) 2030 offers a long-term plan for the country. It defines a desired destination where inequality and unemployment are reduced, and poverty is eliminated so that all South Africans can attain a decent standard of living. Electricity is one of the core elements of a decent standard of living. In formulating its vision for the energy sector, the NDP took as a point of departure the Integrated Resource Plan (IRP) 2010–2030 promulgated in March 2011. The IRP is an electricity infrastructure development plan based on least-cost electricity supply and demand balance, taking into account security of supply and the environment (minimize negative emissions and water usage).

On 27 August 2018, the then Minister of Energy published a draft IRP which was issued for public comment (Draft IRP). Following a lengthy public participation and consultation process the Integrated Resource Plan 2019 (IRP 2019) was gazetted by the Minister of Mineral Resources and Energy, Gwede Mantashe, on 18 October 2019, updating the energy forecast for South Africa from the current period to the year 2030. The IRP is an electricity capacity plan which aims to provide an indication of the country's electricity demand, how this demand will be supplied and what it will cost.

The IRP notes that South Africa is a signatory to the Paris Agreement on Climate Change and has ratified the agreement. The energy sector contributes close to 80% towards the country's total Green House Gas (GHG) emissions of which 50% are from electricity generation and liquid fuel production alone. A transmission from a fossil fuel-based energy sources is therefore critical to reducing GHG emissions. In September 2021 South Africa released its latest emission targets, indicating that it intended to limit Green House Gas (GHG) emissions to 398-510 MrCo2e by 2025, and 350-420 MrCo2e by 2030. These emissions are significantly lower than 2016 emission targets and will see South Africa's emissions decline in absolute terms from 2025, a decade earlier than planned (World Resource Institute, 2021).

The IRP (2019) notes that 39 730 MW of new generation capacity must be developed. Of the 39 730 MW determined, about 18 000 MW has been committed to date. This new capacity is made up of 6 422 MW under the REIPPP with a total of 3 876 MW operational on the grid. Under the Eskom build programme, the following capacity has

been commissioned: 1 332MW of Ingula pumped storage, 1 588MW of Medupi, 800MW of Kusile and 100MW of Sere Wind Farm. In addition, IPPs have commissioned 1 005MW from two Open Cycle Gas Turbine (OCGT) peaking plants.1 005 MW from OCGT for peaking has also been commissioned (IRP 2019, page 14).

In terms of IRP (2019) provision has been made for the following new additional capacity by 2030:

- 1 500MW of coal.
- 2 500MW of hydro.
- 6 000MW of solar PV.
- 14 400MW of wind.
- 1 860MW of nuclear.
- 2 088MW for storage.
- 3 000MW of gas/diesel.
- 4 000MW from other distributed generation, co-generation, biomass and landfill technologies.

Figure 2.1 provides a summary of the allocations and commitments between the various energy sectors.

	Coal	Coal (Decommis-sioning)	Nuclear	Hydro	Storage	PV	Wind	CSP	Gas & Diesel	Other (Distributed Generation, CoGen, Biomass, Landfill)
Current Base	37,149		1 860	2,100	2 912	1 474	1 980	300	3 830	499
2019	2,155	-2,373					244	300		Allocation to the extent of the short term capacity and energy gap.
2020	1,433	-557				114	300			
2021	1,433	-1403				300	818			
2022	711	-844			513	400 1,000	1,600			
2023	750	-555				1000	1,600			500
2024			1,860				1,600		1000	500
2025						1000	1,600			500
2026		-1,219					1,600			500
2027	750	-847					1,600		2000	500
2028		-475				1000	1,600			500
2029		-1,694			1575	1000	1,600			500
2030		-1,050		2,500		1000	1,600			500
TOTAL INSTALLED CAPACITY by 2030 (MW)	33,364		1,860	4,600	5,000	8,288	17,742	600	6,380	
% Total Installed Capacity (% of MW)	43		2.36	5.84	6.35	10.52	22.53	0.76	8.1	
% Annual Energy Contribution (% of MWh)	58.8		4.5	8.4	1.2*	6.3	17.8	0.6	1.3	

Installed Capacity
Committed/Already Contracted Capacity
Capacity Decommissioned
New Additional Capacity
Extension of Koeberg Plant Design Life
Includes Distributed Generation Capacity for own use

- 2030 Coal Installed Capacity is less capacity decommissioned between years 2020 and 2030.
- Koeberg power station rated/installed capacity will revert to 1,926MW (original design capacity) following design life extension work.
- Other/ Distributed generation includes all generation facilities in circumstances in which the facility is operated solely to supply electricity to an end-use customer within the same property with the facility.
- Short term capacity gap is estimated at 2,000MW.

Figure 2.1: Summary of energy allocations and commitments based on the 2019 IRP

As indicated above, the changes from the Draft IRP capacity allocations see an increase in solar PV and wind, and a significant decrease in gas and diesel; and new inclusions include nuclear and storage.

In terms of renewable energy five bidding rounds have been completed for renewable energy projects under the RE IPP Procurement Programme. The most dominant technology in the IRP2019 is renewable energy from wind and solar PV technologies, with wind being identified as the stronger of the two technologies. There is a consistent annual allocation of 1 600MW for wind technology commencing in the year 2022 up to 2030. The solar PV allocation of 1 000MWs per year is incremental over the period 2022 to 2030, with no allocation in the years 2024 (being the year the Koeberg nuclear extension is expected to be commissioned) and the years 2026 and 2027 (presumably since 2 000MW of gas is expected in the year 2027). The IRP 2019 states that although there are annual build limits, in the long run such limits will be reviewed to take into account demand and supply requirements.

2.2.5 National Development Plan

The National Development Plan (NDP) contains a plan aimed at eliminating poverty and reducing inequality by 2030. The NDP identifies 9 key challenges and associated remedial plans. Managing the transition towards a low carbon national economy is identified as one of the 9 key national challenges. Expansion and acceleration of commercial renewable energy is identified as a key intervention strategy.

2.2.6 The New Growth Path Framework

Government released the New Economic Growth Path Framework on 23 November 2010. The aim of the framework is to enhance growth, employment creation and equity. The policy's principal target is to create five million jobs over the next 10 years and reflects government's commitment to prioritising employment creation in all economic policies. The framework identifies strategies that will enable South Africa to grow in a more equitable and inclusive manner while attaining South Africa's developmental agenda. Central to the New Growth Path is a massive investment in infrastructure as a critical driver of jobs across the economy. In this regard the framework identifies investments in five key areas namely: ***energy***, transport, communication, water and housing.

The New Growth Path also identifies five other priority areas as part of the programme to create jobs, through a series of partnerships between the State and the private sector. The Green Economy is one of the five priority areas, including expansions in construction and the production of technologies for solar, wind and biofuels. In this regard clean manufacturing and environmental services are projected to create 300 000 jobs over the next decade.

2.2.7 National Infrastructure Plan

Government adopted a National Infrastructure Plan (NIP) in 2012. The aim of the plan is to transform the economic landscape while simultaneously creating significant numbers of new jobs and strengthening the delivery of basic services. The aim of the NIP is support investments is to improve access by South Africans to healthcare facilities, schools, water, sanitation, housing and electrification. The plan also notes that investment in the construction of ports, roads, railway systems, ***electricity plants***, hospitals, schools, and dams will contribute to improved economic growth.

As part of the National Infrastructure Plan, Cabinet established the Presidential Infrastructure Coordinating Committee (PICC). The Committee identified and developed 18 strategic integrated projects (SIPS). The SIPs cover social and economic infrastructure across all nine provinces (with an emphasis on lagging regions) and included three energy SIPs, namely SIP 8, 9 and 10.

- SIP 8: Green energy in support of the South African economy.
- SIP 9: Electricity generation to support socio-economic development.
- SIP 10: Electricity transmission and distribution for all.

The NIP 2050 was gazetted for public comment on 10 August 2021[3]. The first phase of the NIP 2050 focuses on four critical network sectors that provide a platform, namely, energy, freight transport, water, and digital infrastructure. In line with the NDP, the vision for the energy sector is to promote:

- Economic growth and development through adequate investment in energy infrastructure" (generation, transmission, and distribution) and reliable and efficient energy service at competitive rates, while supporting economic growth through job creation by stimulating supply chains.
- Social equity through expanded access to energy at affordable tariffs and through targeted, sustainable subsidies for needy households.
- Environmental sustainability through efforts to reduce pollution, reduce water usage and mitigate the effects of climate change.

The NIP 2050 notes that by 2030, the NDP set a target that more than 90% of the population should enjoy access to grid connected or off-grid electricity by 2030. To realise this vision, South Africa's energy system will be supported by effective policies, institutions, governance systems, regulation and, where appropriate, competitive markets. In terms of energy mix, NIP 2050 notes that coal will contribute significantly less to primary-energy needs in the future, while gas will have an important enabling role, energy supply will be ***increasingly dominated by renewable energy resources– especially wind and solar which are least cost and where South Africa has a comparative advantage.***

NIP 2050 also notes that South Africa is signatory of the Paris Agreement which aims to achieve Net Zero greenhouse gas emissions by 2050. To achieve this will require a shift to a least cost energy path that is increasingly reliant on renewables. For South Africa this is imperative for the following reasons:

- SA cannot afford to overspend while dramatically expanding capacity
- Renewables can be built quickly and in modular form thereby avoiding many of the challenges associated with mega projects.
- Trade partners are expected to increasingly impose border carbon taxes harming SA exports.
- SA will need to commit to emission reductions as a global citizen.

2.3 PROVINCIAL AND LOCAL LEVEL POLICY AND PLANNING

2.3.1 Northern Cape Province Provincial Growth and Development Strategy

The Northern Cape Provincial Growth and Development Strategy (NCPGDS) identifies poverty reduction as the most significant challenge facing the government and its partners. All other societal challenges that the province faces emanate predominantly from the effects of poverty. The NCPGDS notes that the only effective way to reduce poverty is through long-term sustainable economic growth and development. The sectors where economic growth and development can be promoted include:

- Agriculture and Agro-processing.
- Fishing and Mariculture.

[3] Gazette No. 44951

- Mining and mineral processing.
- Transport.
- Manufacturing.
- Tourism.

However, the NCPGDS also notes that economic development in these sectors also requires:

- Creating opportunities for lifelong learning.
- Improving the skills of the labour force to increase productivity.
- Increasing accessibility to knowledge and information.

The achievement of these primary development objectives depends on the achievement of a number of related objectives that, at a macro-level, describe necessary conditions for growth and development. These are:

- Developing requisite levels of human and social capital.
- Improving the efficiency and effectiveness of governance and other development institutions.
- Enhancing infrastructure for economic growth and social development.

Of specific relevance to the SIA the NCPGDS makes reference to the need to ensure the availability of inexpensive energy. The section notes that in order to promote economic growth in the Northern Cape the availability of electricity to key industrial users at critical localities at rates that enhance the competitiveness of their industries must be ensured. At the same time, the development of new sources of energy through the promotion of the adoption of energy applications that display a synergy with the province's natural resource endowments must be encouraged. In this regard the NCPGDS notes "the development of energy sources such as solar energy, the natural gas fields, bio-fuels, etc., could be some of the means by which new economic opportunity and activity is generated in the Northern Cape". The NCPGDS also highlights the importance of close co-operation between the public and private sectors in order for the economic development potential of the Northern Cape to be realised.

The NCPGDS also highlights the importance of enterprise development and notes that the current level of private sector development and investment in the Northern Cape are low. In addition, the province also lags in the key policy priority areas of SMME Development and Black Economic Empowerment. The proposed solar energy facility therefore has the potential to create opportunities to promote private sector investment and the development of SMMEs in the Northern Cape Province.

In this regard, care will need to be taken to ensure that the proposed development and associated renewable energy facilities do not negatively impact on the regions natural environment. In this regard, the NCPGDS notes that the sustainable utilisation of the natural resource base on which agriculture depends is critical in the Northern Cape with its fragile eco-systems and vulnerability to climatic variation. The document also indicates that due to the provinces exceptional natural and cultural attributes, it has the potential to become the preferred adventure and ecotourism destination in South Africa.

2.3.2 Northern Cape Provincial Spatial Development Framework

Northern Cape Provincial Spatial Development Framework (NCSDF) (2012) lists a number of sectoral strategies and plans that are to be read and treated as key

components of the PSDF. Of these there are a number that are relevant to the proposed STPs. These include:

- Sectoral Strategy 1: Provincial Growth and Development Strategy of the Provincial Government.
- Sectoral Strategy 2: Comprehensive Growth and Development Programme of the Department of Agriculture, Land Reform and Rural Development.
- Sectoral Strategy 5: Local Economic Development (LED) Strategy of the Department of Economic Development and Tourism.
- Sectoral Strategy 11: Small Micro Medium Enterprises (SMME) Development Strategy of the Department of Economic Development and Tourism.
- Sectoral Strategy 12: Tourism Strategy of the Department of Economic Development and Tourism.
- Sectoral Strategy 19: Provincial renewable energy strategy (to be facilitated by the Department of Economic Development and Tourism).

Section C8.2.3, Energy Objectives, sets out the energy objectives for the Northern Cape Province. The section makes specific reference to renewable energy. Of relevance the objectives include:

- Promote the development of renewable energy supply schemes. Large-scale renewable energy supply schemes are strategically important for increasing the diversity of domestic energy supplies and avoiding energy imports while minimizing detrimental environmental impacts.
- In order to reinforce the existing transmission network and to ensure a reliable electricity supply in the Northern Cape, construct a 400 kV transmission power line from Ferrum Substation (near Kathu/Sishen) to Garona Substation (near Groblershoop). There is a national electricity supply shortage, and the country is now in a position where it needs to commission additional plants urgently. Consequently, renewable energy projects are a high priority.
- Develop and institute innovative new energy technologies to improve access to reliable, sustainable, and affordable energy services with the objective to realize sustainable economic growth and development. The goals of securing supply, providing energy services, tackling climate change, avoiding air pollution, and reaching sustainable development in the province offer both opportunities and synergies which require joint planning between local and provincial government as well as the private sector.
- Develop and institute energy supply schemes with the aim to contribute to the achievement of the targets set by the White Paper on Renewable Energy (2003). This target relates to the delivery of 10 000 GWh of energy from renewable energy sources (mainly biomass, wind, solar, and small-scale hydro) by 2013.

Section C8.3.3, Energy Policy, sets out the policy guidelines for the development of the energy sector, with specific reference to the renewable energy sector.

- The construction of telecommunication infrastructure must be strictly regulated in terms of the spatial plans and guidelines put forward in the PSDF. They must be carefully placed to avoid visual impacts on landscapes of significant symbolic, aesthetic, cultural or historic value and should blend in with the surrounding environment to the extent possible.
- EIAs undertaken for such construction must assess the impacts of such activities against the directives listed in (a) above.
- Renewable energy sources such as wind, solar**,** thermal, biomass and domestic hydroelectricity are to constitute 25% of the province's energy generation capacity by 2020.

- The following key policy principles for renewable energy apply.
- Full cost accounting: Pricing policies will be based on an assessment of the full economic, social and environmental costs and benefits of energy production and utilisation.
- Equity: There should be equitable access to basic services to meet human needs and ensure human well-being. Each generation has a duty to avoid impairing the ability of future generations to ensure their own well-being.
- Global and international cooperation and responsibilities: Government recognises its shared responsibility for global and regional issues and act with due regard to the principles contained in relevant policies and applicable regional and international agreements.
- Allocation of functions: Government will allocate functions within the framework of the Constitution to competent institutions and spheres of government that can most effectively achieve the objectives of the energy policy.
- The implementation of sustainable renewable energy is to be promoted through appropriate financial and fiscal instruments.
- An effective legislative system to promote the implementation of renewable energy is to be developed, implemented, and continuously improved.
- Public awareness of the benefits and opportunities of renewable energy must be promoted.
- The development of renewable energy systems is to be harnessed as a mechanism for economic development throughout the province in accordance with the Sustainable Development Initiative (SDI) approach (refer to Toolkit D10) or any comparable approach.
- Renewable energy must, first, and foremost, be used to address the needs of the province before being exported.

2.2.3 Northern Cape Climate Change Response Strategy

The key aspects of the PCCRS Report are summarised in the MEC's (NCPG: Environment and Nature Conservation) 2011 budget speech: "The Provincial Climate Change Response Strategy will be underpinned by specific critical sector climate change adaptation and mitigation strategies that include the Water, Agriculture and Human Health sectors as the 3 key Adaptation Sectors, the Industry and Transport alongside the Energy sector as the 3 key Mitigation Sectors with the Disaster Management, Natural Resources and Human Society, livelihoods and Services sectors as 3 remaining key Sectors to ensure proactive long term responses to the frequency and intensity of extreme weather events such as flooding and wild fire, with heightened requirements for effective disaster management".

Key points from MEC's address include the NCPG's commitment to develop and implement policy in accord with the National Green Paper for the National Climate Change Response Strategy (2010), and an acknowledgement of the NCP's extreme vulnerability to climate-change driven desertification. The development and promotion of a provincial green economy, including green jobs, is identified as an important provincial intervention in addressing climate change. The renewable energy sector, including solar and wind energy (but also biofuels and energy from waste), is explicitly indicated as an important element of the Provincial Climate Change Response Strategy. The MEC also indicated that the NCP was involved in the processing a number of WEF and Solar Energy Facility EIA applications.

2.2.4 Northern Cape Province Green Document

The NCP Green Document (2017-2018) was prepared by the Northern Cape Department of Economic Development and Tourism and provides an impact

assessment of IPPs on the communities in the province located within a 50 km radius from existing facilities. The document notes that the NCP is nationally a leader in commercial-scale renewable energy projects. By 2018 a total of 23 IPP projects in the province had been integrated into the national grid. These projects include Solar PV, Concentrated Solar and WEFs. The document notes that through their economic development obligations these projects have already made a significant positive contribution to affected communities. Much of the effort has been directed at supporting local education. The document also notes that, as these projects are committed to 20-year minimum lifespans, the collectively hold a tremendous potential for socio-economic upliftment.

Key issues identified with regard to improving the potential beneficial impact of IPPs in the NCP include:

- Local community members abusing project benefits for personal gain.
- Difficulty in outreach to local community beneficiaries due to high local illiteracy levels.
- A lack of business skills generally hampers the successful establishment of local small enterprises which could benefit from projects.
- Community benefit obligations are currently met in a piecemeal and uncoordinated fashion.
- Anticipated community benefits are often frustrated by inadequate engagement and insufficient ongoing consultation.
- The scarcity of people skilled in maths and sciences in local communities hampers meaningful higher-level local skills development and employment.
- Insufficient support from local municipalities for IPP development.

2.3.4 Pixley ka Seme District Municipality Integrated Development Plan

The vision for the PKSDM is "Developed and Sustainable District for Future Generations"

To mission statement that underpins the vision is:

- Supporting our local municipalities to create a home for all in our towns, settlements and rural areas to render dedicated services.
- Providing political and administrative leadership and direction in the development planning process.
- Promoting economic growth that is shared across and within communities.
- Promoting and enhancing integrated development planning in the operations of our municipalities.
- Aligning development initiatives in the district to the National Development Plan.

The Strategic Objectives to address the vision that are relevant to the project includes the promotion of economic growth in the district and enhance service delivery. Chapter 4, Development of Strategies, highlights the key strategies of the PKSDM. The promotion of economic development is the most relevant strategy for the project. The IDP also notes that the growth and development context in the district has also changed radically since 2013 (after it had been stagnant for decades) owing mainly to private and public investments in the area as a hub for renewable energy generation and astronomy.

The IDP notes that the economy in the Pixley ka Seme municipal area is characterized by:

- High levels of poverty and low levels of education.
- Low levels of development despite the strategic location in terms of the national transport corridors.
- High rate of unemployment, poverty and social grant dependence.
- Prone to significant environmental changes owing to long-term structural changes (such as climate change, energy crises and other shifts).

Of specific relevance the IDP highlights the potential for renewable energy to help address some of these challenges.

2.3.5 Pixley ka Seme District Municipality Spatial Development Framework

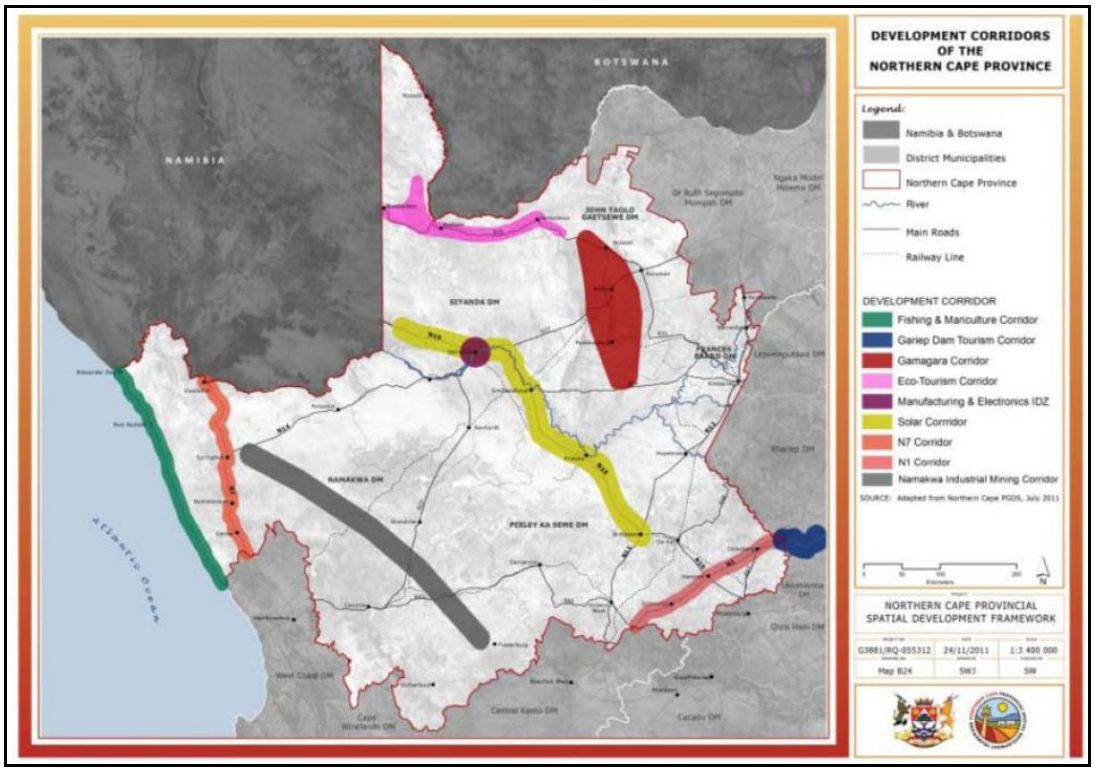
The SDF notes that the vision for the PKSDM is "Pixley Ka Seme DM, pioneers of development, a home and future for all". The Mission Statement that underpins the vision refers to:

- Effective and efficient service delivery.
- Optimal human and natural resource development.
- Local economic growth and development, job creation and poverty alleviation.
- A vibrant tourism industry.
- To participate in the fight to reduce the infection rate and lessen the impact of HIV/ Aids and other communicable diseases.
- A safe, secure and community friendly environment.

The SDF identifies the opportunities and constraints associated with the district. Of relevance to the project the opportunities include:

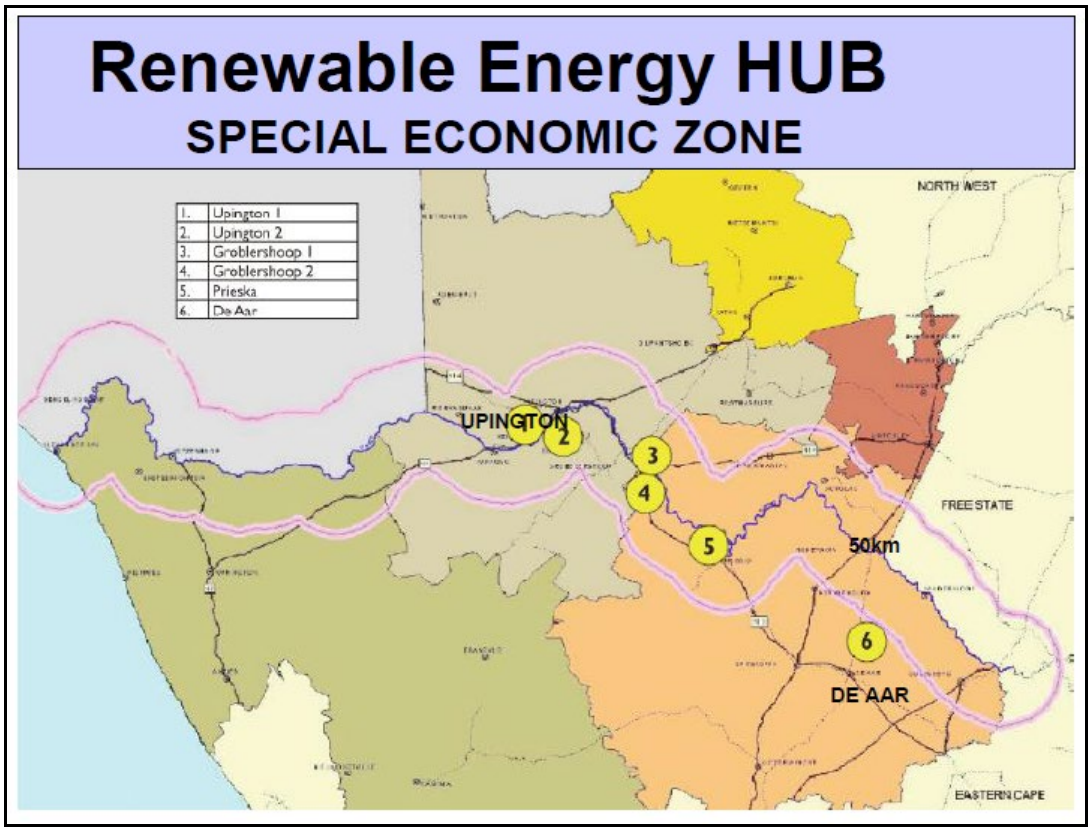
Renewable Energy and the identification of a renewable energy hub in the region. The natural environment and maintenance and conservation of the pristine natural environment to support sustainable farming into the future is also identified as an opportunity. The SDF notes that Pixley Ka Seme District area with its abundance of sunshine and vast tracts of available land has attracted considerable interest from solar energy investors. The high solar index of the area provides many opportunities in terms of the development of renewable energy. This has been acknowledged by the Northern Cape Government with the identification of the Renewable Energy Hub. The areas around the northern and eastern borders of the Pixley Ka Seme District Municipality form part of this hub with the potential to stimulate special economic development zoned within the area that have the potential to stimulate industrial development.

The PKSDM also falls within the Solar Development Corridor as identified in the Northern Cape Provincial Spatial Development Framework. The corridor extends from Kakamas to Upington and down to De Aar in the south-east (Figure 2.2). Section 5.6.1 of the SDF also refers to the establishment of a Renewable Energy Hub proposed for the Northern Cape stretching from the west coast right up to the De Aar region (Figure 2.3). The Hub can accommodate special economic development within the zone as earmarked and entails a 100km wide zone. The proposed project is located outside corridor and proposed hub. However, this does not imply that the area is not suitable for the establishment of solar energy facilities.



Source: Northern Cape SDF

Figure 2.2: Northern Cape Development Corridors-Solar Corridor (yellow)



Source: Northern PKSDM SDF

Figure 2.3: Northern Cape Renewable Energy Hub

The SDF does however also note that the area is known for its clean air and open skies with limited light pollution. Potential visual impacts are therefore an issue that needs to be considered.

In this regard the SDF notes that the topography of Pixley Ka Seme region is one of its main assets with vast open spaces and unspoilt panoramic visual vistas stretching over great distances. This asset makes for excellent scenic drives throughout the whole of the region from the flat plains to crossing the main rivers of South Africa. Visual vistas, ridges and "koppies" are assets within the region and they must be handled with sensitivity.

The relevant constraints include high levels of poverty and unemployment, backlog in basic services, including electricity and housing in rural areas, the limited supply of water and overall scarcity of water in the region to support economic development.

The development challenges that face the Pixley Ka Seme District Municipality include high unemployment and poverty rates and low income which are placing increasing demand on service delivery because very few people are able to pay for services. Declining population numbers, and alcohol and substance abuse are also key challenges.

In terms of services, inadequate schools in farming areas results in children having to travel long distances to areas where the go to school. There are also insufficient health centres and lack of amenities and recreational services. Where these services do exist, they are often poorly managed and maintained. The level of key services, such as refuse removal, are also low, while many rural and a number of urban households rely on boreholes for their water supply.

Climate change is also identified as a key risk. The SDF notes that the Karoo is predicted to experience more drought periods, coupled with increased evaporation and temperatures and this will negatively impact already restricted water supply. It is likely that the greatest impacts will be on water supply.

2.3.6 Ubuntu Local Municipality Integrated Development Plan

The vision of ULM is "By 2030, Ubuntu Municipality shall be the best rural municipality through relentless pursuit of excellence through focused governance, efficient administration, and effective service delivery for inclusive targeted social and economic development against all odds".

The mission is to:

- Maximize the utility of the municipal resources in a sustainable, developmental, and economic manner to better the life of all.
- Improve institutional effectiveness and efficiency.
- Optimally develop our human, financial and natural resources.
- Create an enabling environment for local economic growth in order to create employment opportunities and alleviate poverty.
- Work with all our existing and prospective partners to establish a vibrant tourism industry.
- Participate in the fight to reduce the HIV/AIDS infection rate and lessen the impact thereof.
- Focus on youth development, women empowerment and enabling the disabled to play a meaningful role in unlocking human potential.
- Ensure a safe, secure and community friendly environment.

- Maintain sound and sustainable management of financial and fiscal affairs.

Based on the 2011 Census data the largest town in the ULM was Victoria West with a population of 7 611, followed by Richmond (2 841) and Loxton (921). Key issues facing the municipality include:

- High level of illiteracy.
- Poverty and unemployment.
- Limited educational facilities

The IDP identifies a number of challenges facing the area in terms of economic development and growth. Of relevance to the project these include:

- Unemployment and poverty.
- Shortage of critical skills
- Needs of vulnerable groups, including women, disabled and youth.
- Access to basic services such as water, sanitation, electricity and housing.
- Improved access to services in education, health and social services.
- Reduction in the rate of crime.

The key sectors in the local economy agriculture is the key economic sector. Livestock and game form the nucleus of farming activities, with limited crop farming. Livestock farming mainly comprises of sheep, goat and cattle. The main agricultural products are wool for the export market and meat for the local market. Biltong and hunting are the major products of game farming. Game biltong is produced at and exported from a factory in Victoria West.

Chapter 3 of the IDP outlines the development strategies for the ULM. The IDP strategies are aligned with the National Key Performance Areas (KPAs). The KPAs that are relevant to the project include:

- KPA 1: Basic Service Delivery and Infrastructure Development

The strategic objectives under KPA 1 include the provision of sustainable basic services.

- KPA 2: Local Economic Development

The strategic objectives under KPA 1 include investment acceleration and attraction, including a focus on private sector investment, promotion of SMMEs, agriculture, tourism and the development of an industrial and commercial economic zone.

In terms of Ward 3, the following challenges and needs were identified as part of the IDP process.

- High unemployment and poverty rates.
- Need for a youth centre.
- Need to upgrade firefighting services.
- Illegal dumping.

These issues can be addressed by SED and ED spend linked to the project.

2.4 OVERVIEW RENEWABLE ENERGY SECTOR IN SOUTH AFRICA

The section below provides an overview of the potential benefits associated with the renewable energy sector in South Africa. Given that South Africa supports the development of renewable energy at national level, the intention is not to provide a critical review of renewable energy. The focus is therefore on the contribution of renewable energy, specifically in terms of supporting economic development.

The following documents were reviewed:

- Independent Power Producers Procurement Programme (IPPPP): An Overview (December 2021), Department of Energy, National Treasury and DBSA.
- Green Jobs Study (2011), IDC, DBSA Ltd and TIPS.
- Powering the Future: Renewable Energy Roll-out in South Africa (2013), Greenpeace South Africa.
- WWF SA, Renewable Energy Vision 2030, South Africa, 2014.
- Jacqueline M. Borel-Saladin, Ivan N. Turok, (2013). The impact of the green economy on jobs in South Africa), South African Journal of Science, *Volume 109 /Number 9/10, September/October 2013.*
- The potential for local community benefits from wind farms in South Africa, Louise Tait (2012), Master's Thesis, Energy Research Centre University of Cape Town.

2.4.1 Independent Power Producers Procurement Programme (IPPPP): An Overview

The document presents an overview of the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) undertaken by the Department of Energy, National Treasury, and the Development Bank of South Africa in December 2021. The programme's primary mandate is to secure electrical energy from the private sector for renewable and non-renewable energy sources. With regard to renewables, the programme is designed to reduce the country's reliance on fossil fuels, stimulate an indigenous renewable energy industry and contribute to socio-economic development and environmentally sustainable growth. The IPPPP has been designed not only to procure energy but has also been structured to contribute to the broader national development objectives of job creation, social upliftment and broadening of economic ownership.

The Integrated Resource Plan for electricity (IRP) provides South Africa's long-term plan for electricity generation. It primarily aims to ensure security of electricity supply, minimise the cost of that supply, limit water usage and reduce greenhouse gas (GHG) emissions, while allowing for policy adjustment in support of broader socio-economic developmental imperatives. The IRP 2019 was promulgated in October 2019 and replaced the IRP 2010 as the country's official electricity infrastructure plan.

It calls for 37 696MW of new and committed capacity to be added between 2019 and 2030 from a diverse mix of energy sources and technologies as ageing coal plants are decommissioned and the country transitions to a larger share of renewable energy. By2030, the electricity generation mix is set to comprise of 33 364MW (42.6%) coal, 17 742MW (22.7%) wind, 8 288MW (10.6%) solar photovoltaic (PV), 6 830MW(8.7%) gas or diesel, 5 000MW (6.4%) energy storage, 4 600MW (5.9%) hydro, 1 860MW (2.4%) nuclear and 600MW (0.8%) concentrating solar power (CSP). Additionally, a short-term gap at least 2000MW is to be filled between 2019 and 2022, thereby further raising new capacity requirements, while distributed or embedded generation for own-use is positioned to add 4 000MW between 2023 and 2030. The IRP is

intended to be frequently updated, which could impact future capacity allocations from various energy sources and technologies.

Energy supply
By the end of December 2021, the REIPPPP had made the following significant impacts.

- 6 323 MW of electricity had been procured from 92 RE Independent Power Producers (IPPs) in BW1-4.
- 5 661 MW of electricity generation capacity from 85 IPP projects has been connected to the national grid.
- 71 073GWh of energy has been generated by renewable energy sources procured under the REIPPPP since the first project became operational in November 2013.

Renewable energy IPPs have proved to be very reliable. Of the 85 projects that have reached COD, 77 projects have been operational for longer than a year. The energy generated over the past 12-month period for these 77 projects is 14 117GWh, which is 95% of their annual energy contribution projections (P50) of 14 924GWh over a 12-month delivery period. Thirty-one (31) of the 77 projects (40%) have individually exceeded their P50 projections.

Comparatively, the following statistics were presented at the REIPPPP Bid Window 6 Bidders Conference on 7 July 2022 by the IPP Office based on data as of March 2022 following seven bid rounds (IPP Office, 2022[4]):

- 92 IPPs have been selected as preferred bidders.
- 6 323 MW of electricity capacity procured.
- 5 826 MW already operational from 87 IPPs.
- 74 805 GWh energy generated by Renewable Energy sources.

Energy costs
In line with international experience, the price of renewable energy is increasingly cost competitive when compared with conventional power sources. The REIPPPP has effectively captured this global downward trend with prices decreasing in every bid window. Energy procured by the REIPPPP is progressively more cost effective and has approached a point where the wholesale pricing for new coal-and renewable-generated energy intersect.

Through the competitive bidding process, the IPPPP effectively leveraged rapid, global technology developments and price trends, buying clean energy at lower and lower rates with every bid cycle, resulting in SA getting the benefit of renewable energy at some of the lowest tariffs in the world. The price for wind power has dropped by 50% to R0.94/kWh, while solar PV has dropped with 75% to R1.14/kWh between BW1 and BW4.

Prices contracted under the REIPPPP for all technologies are well below the published REFIT prices. The REIPPPP has effectively translated policy and planning into delivery of clean energy at very competitive prices. As such it is contributing to the national aspirations of secure, affordable energy, lower carbon intensity and a transformed 'green' economy.

[4] IPP Office (2022). RENEWABLE ENERGY INDEPENDENT POWER PRODUCER PROCUREMENT PROGRAMME (REIPPPP) BID WINDOW 6 BIDDERS' CONFERENCE, 7 JULY 2022 [online]. Accessed July 2022. https://www.ipp-renewables.co.za/PressCentre/GetPressRelease?fileid=16a21004-f9fd-ec11-9578-2c59e59ac9cd&fileName=BW6%20Bidders%20Conference%20Consolidated.pdf.

With the BW4 price directly comparable with the per kWh price of new coal generation. Solar PV has dropped most significantly with a price decrease of 75% to R1.10/kWh between BW1 and BW4. This compares with the industry estimates in April 2020 of R1.45/kWh for Medupi. Considering the on-going delays incompletion, indications are that these costs may even be significantly higher.

Investment

The document notes that the REIPPPP has attracted significant investment in the development of the REIPPs into the country. The total investment (total project costs[5]), including interest during construction, of projects under construction and projects in the process of closure is R209.6 billion (this includes total debt and equity of R209 billion, as well as early revenue and VAT facility of R0.5 billion).

The REIPPPP has attracted R42 billion in foreign investment and financing in the seven bid windows (BW1 – BW4). This is almost double the inward FDI attracted into South Africa during 2015 (R22.6 billion). The document notes that the share of foreign investment and equity showed an increase in the most recent bid window (2S2), suggesting that the REIPPPP continued to generate investor confidence despite the poor economic conditions in South Africa in recent years.

Comparatively, based on the information presented at the REIPPPP Bid Window 6 Bidders Conference on 7 July 2022 by the IPP Office (IPP Office, 2022), approximately R209.6 billion investment has been attracted for energy infrastructure in all bid windows; and as at March 2022 an actual R1.9 billion contribution was realised for socio-economic development.

South African citizen shareholding

The importance of retaining local shareholding in IPPs is key condition of the procurement requirements. The RFP notes that bidders are required to have South African Equity Participation of 40% in order to be evaluated. South African (local) equity shareholding across BW1-4 equates to 52% (R31.4 billion) of the total equity shareholding (R61.0 billion) was held by South African's across BW1 to BW4, 1S2 and 2S2. This equates to substantially more than the 40% requirement. Foreign equity amounts to R29.6 billion and contributes 49% of total equity.

The REIPPPP also contributes to Broad Based Black Economic Empowerment (BBBEE) and the creation of black industrialists. In this regard, Black South Africans own, on average, 34% of projects that have reached financial close (BW1-BW4), which is 4% higher than the 30% target. This includes black people in local communities that have ownership in the IPP projects that operate in or near their communities and represents the majority share of total South African Entity Participation.

On average, black local communities own 9% of projects that have reached financial close. This is well above the 5% target. In addition, an average of 21% shareholding by black people in engineering, procurement, and construction (EPC) contractors has been attained for projects that have reached financial closure. This is higher than 20% target. The shareholding by black people in operating companies of IPPs has averaged 30% (against the targeted 20%) for the 85 projects in operation (i.e. in BW1–4).

[5] Total project costs means the total capital expenditure to be incurred up to the commercial operations date in the design, construction, development, installation, and or commissioning of the project)

The target for shareholding by black people in top management has been set at 40%, with an average 68% achieved to date. The target has therefore been significantly exceeded.

Community shareholding and community trusts

The regulations require a minimum ownership of 2.5% by local communities in IPP projects as a procurement condition. This is to ensure that a substantial portion of the investments has been structured and secured as local community equity. An individual community's dividends earned will depend on the terms of each transaction corresponding with the relevant equity share. To date all shareholding for local communities have been structured through the establishment of community trusts. For projects in BW1 to BW4, qualifying communities will receive R25.5 billion net income over the life of the projects (20 years). The report notes that the bulk of the money will however only start flowing into the communities from 2028 due to repayment obligations in the preceding years (repayment obligations are mostly to development funding institutions). However, despite the delay this represents a significant injection of capital into mainly rural areas of South Africa. If the net projected income for the first seven bid windows (BW1-BW4) was structured as equal payments overtime, it would represent an annual net income of R1.27 billion per year.

Income to all shareholders only commences with operation of the facility. Revenue generated to date by the 85 operational IPPs amounts to R149.9 billion.

Procurement spend

In addition to the financial investments into the economy and favourable equity structures aimed at supporting BEE, the REIPPPP also targets broader economic and socio-economic investment. This is through procurement spend and local content.

The total projected procurement spend for BW1 to BW4 during the construction phase was R71.1 billion, while the projected operations procurement spend over the 20 years operational life is estimated at 75.2 billion. The combined (construction and operations) procurement value is projected as R146.3 billion of which R92.1 billion has been spent to date. For construction, of the R71.1 billion already spent to date, R71 billion is from the 85 projects which have already been completed. These 85 projects had planned to spend R64.2 billion. The actual procurement construction costs have therefore exceeded the planned costs by 11% for completed projects.

Preferential procurement

The share of procurement that is sourced from Broad Based Black Economic Empowered (BBBEE) suppliers, Qualifying Small Enterprises (QSE), Exempted Micro Enterprises (EME) and women owned vendors are tracked against commitments and targeted percentages. The IA target requirement for BBBEE is 60% of total procurement spend. However, the actual share of procurement spend by IPPs from BBBEE suppliers for construction and operations combined is currently reported as 83%, which is significantly higher than the target of 60%, but also the 71% that had been committed by IPPs. BBBEE, as a share of procurement spend for projects in construction, is also reported as 84% with operations slightly lower at 74%.

The majority of the procurement spend to date has been for construction purposes. Of the R76 billion spent on procurement during construction, R64.3 billion has reportedly been procured from BBBEE suppliers, achieving 84.6% of total procured. Actual BBBEE spend during construction for BW1 and BW2 alone was R25.5 billion, 81% more than the 14.1 billion planned by the IPPs. The R64.3 billion spent on BBBEE during construction is 30% more than the R49.7 billion that had originally been anticipated by all IPPs procured in BW1-4.

Total procurement spend by IPPs from QSE and EMEs has amounted to R28.1 billion (construction and operations) to date, which exceeds commitments by 250% and is 30% of total procurement spend to date (while the required target is 10%). QSE and EME's procurement spend for construction was 31% of construction procurement to date and 26% of operational procurement, exceeding the 10% targets set. QSE and EME share of construction procurement spend totals R23.8 billion, which is 5.4 times the planned spend for construction of R4.4 billion during this procurement phase.

In terms of procurement from women-owned vendors to date, 5% of total construction procurement spend has been from woman-owned vendors (against a targeted 5%), and 6% of operational procurement spend has been realised from woman-owned vendors to date, thereby exceeding the targeted 5%. In terms of construction spend, R 4.1 billion was undertaken by women-owned vendors, which is almost double the R 1.8 billion expected to be spent for the construction of projects that have reached financial close.

The REIPPPP has therefore created significant employment opportunities for black South African citizens and local communities beyond planned targets. This highlights the importance of the programme in terms of employment equity and the creation of more equal societies.

Local Content[6]

The report notes that the REIPPP programme represents the country's most comprehensive strategy to date in achieving the transition to a greener economy. Local content minimum thresholds and targets were set higher for each subsequent bid window. The report notes that for a programme of this magnitude, with construction procurement spend alone estimated at R71.1 billion, the result is a substantial stimulus for establishing local manufacturing capacity. The local content strategy has created the required incentives for a number of international technology and component manufactures to establish local manufacturing facilities.

The documents notes that for the portfolio as a whole, the expectation would reasonably be for local content spend to fall between 25% and 65% of the total project value (considering the range of targets and minimum requirements). Local content commitments by IPPs amount to R66.3 billion or 45% of total project value (R148.2 billion for all bid windows).

Actual local content spend reported for IPPs that have started construction amounts to R63.3 billion against a corresponding project value (as realised to date) of R127.2 billion. This means that 50% of the project value has been locally procured, exceeding the 45% commitment from IPPs and the thresholds for BW1 – BW4 (25-45%).

To date, the R63.3 billion local content spend reported by active IPPs is already 96% of the R66 billion local content expected. This is with 6 projects still in construction, and 85 of the 91 active projects having reached COD (i.e. 93% of the active portfolio complete). For the 85 projects that have reached COD, local content spend has been R 58.72 billion of a committed R58.67 billion, which is 0.1 more than the planned local spend.

[6] Local content is expressed as a % of the total project value and not procurement or total project costs.

Leveraging employment opportunities

To date, a total of 63 291 job years[7] have been created for South African citizens, of which 48 110 job years were in construction and 15 182 in operations. These job years should rise further past the planned target as more projects enter the construction phase. Employment opportunities across BW1-4 are 143% of the planned number during the construction phase (i.e. 33 707 job years), with 6 projects still in construction and employing people. The number of employment opportunities is therefore likely to continue to grow beyond the original expectations.

By the end of December 2021, 85 projects had successfully completed construction and moved into operation. These projects created 44 172 job years of employment, compared to the anticipated 30 488. This was 45% more than planned.

The report notes that employment thresholds and targets were consistently exceeded across the entire portfolio. The average share of South African citizens of total South Africa based employees for BW1 – BW4 was 91% during construction (against a target of 80%), while it was 96% during operations for BW1 – BW4 (against a target of 80%). The report notes that the construction phase offers a high number of opportunities over shorter durations, while the operations phase requires fewer people, but over an extended operating period.

To date, 48 110 job years for SA citizens were achieved during construction, which is 43% above the planned 33 707 job years for active projects. These job years are expected to rise further since 6 projects are still in construction.

In terms of benefits for local communities, significantly more people from local communities were employed during construction than was initially planned. For active projects, the expectation for local community participation was 13 284 job years. To date 25 272 job years have been realised (i.e. 90% more than initially planned), with 6 projects still in, or entering, construction. The number of black SA citizens employed during construction also exceeded the planned numbers by 74%.

Black South African citizens, youths and rural or local communities have been the major beneficiaries during the construction phases, as they respectively represent 81%, 44% and 48% of total job opportunities created by IPPs to date. However, woman and disabled people could still be significantly empowered as they represent a mere 10% and 0.4% of total jobs created to date, respectively. Nonetheless, the fact that the REIPPPP has raised employment opportunities for black South African citizens and local communities beyond planned targets, indicates the importance of the programme to employment equity and the drive towards more equal societies.

The share of black citizens employed during construction (81%) and the early stages of operations (85%) has significantly exceeded the 50% target and the 30% minimum threshold. Likewise, the share of skilled black citizens (as a percentage of skilled employees) for both construction (71%) and operations (82%) has also exceeded the 30% target and minimum threshold of 18%. The share of local community members as a share of SA-based employees was 48% and 70% for construction and operations respectively – significantly exceeding the minimum threshold of 12% and the target of 20%.

[7] The equivalent of a full-time employment opportunity for one person for one year

Socio-economic development (SED) contributions

An important focus of the REIPPPP is to ensure that the build programme secures sustainable value for the country and enables local communities to benefit directly from the investments attracted into the area. In this regard, IPPs are required to contribute a percentage of projected revenues accrued over the 20-year project operational life toward SED initiatives. These contributions accrue over the 20-year project operation life and are used to invest in housing and infrastructure as well as healthcare, education, and skills development.

The minimum compliance threshold for SED contributions is 1% of the revenue with 1.5% the targeted level over the 20-year project operational life. For the current portfolio of projects, the average commitment level is 2%, which is 101% higher than the minimum threshold level. To date (across BW1-4) a total contribution of R22.8 billion has been committed to SED initiatives. Assuming an even, annual revenue spread, the average contribution per year would be R1.1 billion. Of the total commitment, R18.5 billion is specifically allocated for local communities where the IPPs operate. With every new IPP on the grid, revenues and the respective SED contributions will increase.

As a percentage of revenue, SED obligations become effective only when operations commence, and revenue is generated. Of the 91 IPPs that have reached financial close (BW1–BW4), 85 are operational. The SED contributions associated with these 85 projects has amounted to R 1.8 billion to date.

In terms of ED and SED spend, education, social welfare, and health care initiatives have a SED focus. SED spend on education has been almost double the expenditure on enterprise development. This is despite enterprise development being a stand-alone commitment category in terms of the IA. This is, in part, due to the fact that some early childhood development programmes have also been incorporated in educational programmes. IPPs have supported 1 388 education institutions with a total of R437 million in contributions, from 2015 to the end of June 2021. A total of 1 276 bursaries, amounting to R210.8 million, have been awarded by 67 IPPs from 2015 until the end of June 2021. The largest portion of the bursaries were awarded to African and Coloured students (97.4%), with women and girls receiving 56.3% of total bursaries. The Northern Cape province benefitted most from the bursaries awarded, with 57.2%, followed by the Eastern Cape (20.2%) and Western Cape (14.1%). Enterprise development and social welfare are the focus areas that have received the second highest share of the contributions to date.

Enterprise development contributions

The target for IPPs to spend on enterprise development is 0.6% of revenues over the 20- year project operational life. However, for the current portfolio, IPPs have committed an average of 0.63% or 0.03% more than the target. Enterprise development contributions committed for BW1-4, amount to R7.2 billion. Assuming an equal distribution of revenue over the 20-year project operational life, enterprise development contributions would be R358 million per annum. Of the total commitment, R5.6 billion is specifically committed directly within the local communities where the IPPs operate, contributing significantly to local enterprise development.

Of the total commitment, R5.6 billion is specifically committed directly within the local communities where the IPPs operate, contributing significantly to local enterprise development. A total contribution of R504.1 million has already been made to the local communities (i.e. 94%of the total R537.9 million enterprise development contributions made to date).

Contribution to cleaner energy and water savings
As part of the global commitment, South Africa is targeting an emissions trajectory that peaks at 34% below a "business as usual" case in 2020, 42% below in 2025 and from 2035 declines in absolute terms. The REIPPPP contributes constructively to economic stability, energy security and environmental sustainability.

The emission reductions for the programme during the preceding 12 months (June 2019-June 2020) is calculated as 15.1 million tonnes CO_2 ($MtonCO_2$) based on the 14 835 GWh energy that has been generated and supplied to the grid over this period. This represents 75% of the total projected annual emission reductions ($20.5MtonCO_2$) achieved with only partial operations. A total of 72.1 Mton CO_2 equivalent reduction has been realised from programme inception to date.

The March 2019 Report also notes that since operation, the IPPs have saved 42.8 million kilolitres of water related to fossil fuel power generation. This saving will have increased with the increase in energy generated by renewable energy since 2019. The REIPPPP therefore contributes significantly towards meeting South Africa's GHG emission targets and, at the same time, supporting energy security, economic stability, and environmental sustainability.

2.4.2 Green Jobs Study

The study notes that South Africa has one of the most carbon-intensive economies in the world, therefore making the greening of the electricity mix a national imperative. Within this context the study notes that the green economy could be an extremely important trigger and lever for enhancing a country's growth potential and redirecting its development trajectory in the 21st century. The attractiveness of wind and solar technologies is not only supported by local conditions, but also by the relatively mature stage of their technological development.

The aim of the Green Jobs study was to provide information on the net direct job creation anticipated to emerge in the formal economy across a wide range of technologies/activities that may be classified as green or contributing to the greening of the economy. The study looked at the employment potential for a number of green sectors, including power generation, over three consecutive timeframes, namely, the short term (2011 – 12), medium term (2013 – 17) and long term (2018 – 25). The analysis attempts to estimate the employment potential associated with: building, construction and installation activities; operations and maintenance services; as well as the possible localisation spin-offs for the manufacturing sector as the domestic production of equipment, parts and components benefits from preferential local procurement.

It is also worth noting that the study only considered direct jobs in the formal economy. Multiplier effects were not taken into account. As a result, the analysis only captures a portion of the potential employment impact of a greening economy. International studies have indicated that there are considerable backward and forward linkages through various value chains of production, as well as of indirect and induced employment effects. The employment figures can therefore be regarded as conservative. The analysis reveals the potential of an unfolding green economy to lead to the creation of approximately 98 000 new direct jobs, on average, in the short term, almost 255 000 in the medium term and around 462 000 employment opportunities in the formal economy in the long term. The number of jobs linked to the power generation was estimated to be ~ 12 500 in the short term, 57 500 in the medium term and 130 000 in the long term. Power generation jobs therefore account for 28% of the employment opportunities created in the long term. However, the report notes

that the contribution made by a progressively expanding green energy generation segment increases from 14% of the total in the short term, or just over 13 500 jobs, to more than 28% in the long term (166 400) (Table 2.3). The study also found that energy generation is expected to become an increasingly important contributor to green job creation over time, as projects are constructed or commissioned.

Table 2.3: Net direct employment potential estimated for the four broad types of activity and their respective segments in the long term, and an indication of the roll-out over the three timeframes

Broad green economy category		Segment	Technology/product	Total net direct employment potential in the long-term	Net direct manufacturing employment potential in the long-term	Total net direct employment potential (ST, MT, LT)	Net direct manufacturing employment potential (ST, MT, LT)
ENERGY GENERATION	Renewable (non-fuel) electricity	Wind power	Onshore wind power	5 156	2 105	VL, L, M	L, M, H
			Offshore wind power				
		Solar power	Concentrated solar power	3 014	608	N, VL, M	N, VL, M
			Photovoltaic power	13 541	8 463	M, H, H	H, VH, VH
		Marine power	Marine power	197	0	N, N, VL	N, N, N
		Hydro power	Large hydro power	272	111	VL, VL, VL	VL, M, VL
			Micro-/small-hydro power	100	0	VL, VL, VL	N, N, N
	Fuel-based renewable electricity	Waste-to-energy	Landfills	1 178	180	VL, VL, L	VL, VL, L
			Biomass combustion	37 270	154	VL, H, VH	VL, VL, L
			Anaerobic digestion	1 429	591	VL, VL, L	VL, L, M
			Pyrolysis/Gasification	4 348	2 663	VL, L, M	VL, H, H
			Co-generation	10 789	1 050	L, M, H	M, H, H
	Liquid fuel	Bio-fuels	Bio-ethanol	52 729	6 641	M, H, VH	L, H, VH
			Bio-diesel				
ENERGY GENERATION SUB-TOTAL				**130 023**	**22 566**		
ENERGY & RESOURCE EFFICIENCY		Green buildings	Insulation, lighting, windows	7 340	838	L, M, M	L, M, M
			Solar water heaters	17 621	1 225	L, H, H	L, M, H
			Rain water harvesting	1 275	181	VL, VL, L	VL, VL, L
		Transportation	Bus Rapid Transport	41 641	350	VH, VH, VH	H, M, L
		Industrial	Energy efficient motors	-566	4	VL, VL, VL	VL, VL, VL
			Mechanical insulation	666	89	VL, VL, VL	VL, VL, VL
ENERGY & RESOURCE EFFICIENCY SUB-TOTAL				**67 977**	**2 686**		
EMMISIONS AND POLLUTION MITIGATION		Pollution control	Air pollution control	900	166	N, VL, VL	N, L, L
			Electrical vehicles	11 428	10 642	VL, L, H	N, H, VH
			Clean stoves	2 783	973	VL, VL, L	VL, L, M
			Acid mine water treatment	361	0	VL, VL, VL	N, N, N
		Carbon Capture and Storage		251	0	N, VL, VL	N, N, N
		Recycling		15 918	9 016	M, H, H	H, VH, VH
EMMISIONS AND POLLUTION MITIGATION SUB-TOTAL				**31 641**	**20 797**		
NATURAL RESOURCE MANAGEMENT		Biodiversity conservation & eco-system restoration		121 553	0	H, VH, VH	N, N, N
		Soil & land management		111 373	0	VH, VH, VH	N, N, N
NATURAL RESOURCE MANAGEMENT SUB-TOTAL				**232 926**	**0**		
TOTAL				**462 567**	**46 049**		

(Source: Green Jobs Study, 2011)

Notes:

- VH = very high (total employment potential > 20 000 direct jobs; manufacturing employment potential > 3 000 direct jobs);
- H = high (total employment potential > 8 000 but < 20 000; manufacturing employment potential > 1 000 but < 3 000);
- M = medium (total employment potential > 3 000 but < 8 000; manufacturing employment potential > 500 but < 1 000);

- L = low (total employment potential > 1 000 but < 3 000; manufacturing employment potential > 150 but < 500);
- VL = very low (total employment potential > 0 but < 1 000; manufacturing employment potential > 0 but < 150);
- N = negligible/none (total employment potential = 0; manufacturing employment potential = 0).

Of relevance the study also notes that the largest gains are likely to be associated with operations and maintenance (O&M) activities, particularly those involved in the various natural resource management initiatives. In this regard, operations and maintenance employment linked to renewable energy generation plants will also be substantial in the longer term. The employment growth momentum related to building, construction and installation activities peaks in the medium term, largely propelled by mass transportation infrastructure, stabilising thereafter as green building methods become progressively entrenched.

In addition, as projects related to a greening economy are progressively commissioned, the potential for local manufacturing also become increasingly viable. Employment gains in manufacturing are also expected to be relatively more stable than construction activities, since the sector should continue exhibiting growth potential as new and replacement components are produced, as additional markets are penetrated, and as new green technologies are introduced. Manufacturing segments with high employment potential in the long term would include suppliers of components for wind and solar farms. The study does note that a shortage of skills in certain professional fields pertinent to renewable energy generation presents a challenge that must be overcome.

The study also identifies a number of advantages associated with renewable energy with a large 'technical' generation potential. In this regard, renewable energy, such as solar and wind, does not emit carbon dioxide (CO_2) in generating electricity and is associated with exceptionally low lifecycle emissions. The construction period for renewable energy projects are much shorter than those of conventional power stations, while an income stream may, in certain instances, be provided to local communities through employment and land rental. The study also notes that the greenhouse gases (GHG) associated with the construction phase are offset within a short period of time compared with the project's lifespan. Renewable power therefore provides an ideal means for reaching emission reduction targets in a relatively easy manner. In addition, and of specific relevance to South Africa, renewable energy source is not dependent on water (as compared to the massive water requirements of conventional power stations), has a limited footprint and therefore does not impact on large tracts of land, poses limited pollution and health risks, specifically when compared to coal and nuclear energy plants.

Of relevance, the study also notes that renewable energy projects in rural areas create an opportunity to benefit the local and regional economy through the creation of jobs and tax revenues.

2.4.3 Powering the Future: Renewable Energy Roll-out in South Africa

The study notes that South Africa has higher CO_2 emissions per GDPppp (2002 figures) from energy and cement production than China or the USA (Letete, T et al). Energy accounts for 83% of the total GHG emissions (excluding land use, land use change and forestry) with fuel combustion in the energy industry accounting for 65% of the energy emissions of South Africa (DEA, 2011).

Within a broader context of climate change, coal energy does not only have environmental impacts, it also has socio-economic impacts. Acid mine drainage from abandoned mines in South Africa impacts on water quality and poses the biggest threat to the country's limited water resources. Huge volumes of water are also required to wash coal and cool operating power stations. Eskom uses an estimated 10 000 litres of water per second due to its dependency on coal (Greenpeace, 2012).

The report notes that the concerns relating to whether South Africa can afford renewable energy arise out of the perception that renewable energy (RE) is expensive while fossil and nuclear technologies are cheap. The premise also ignores life cycle costing of the technologies which is favourable to renewable technologies where the sources of fuel are free or cheap.

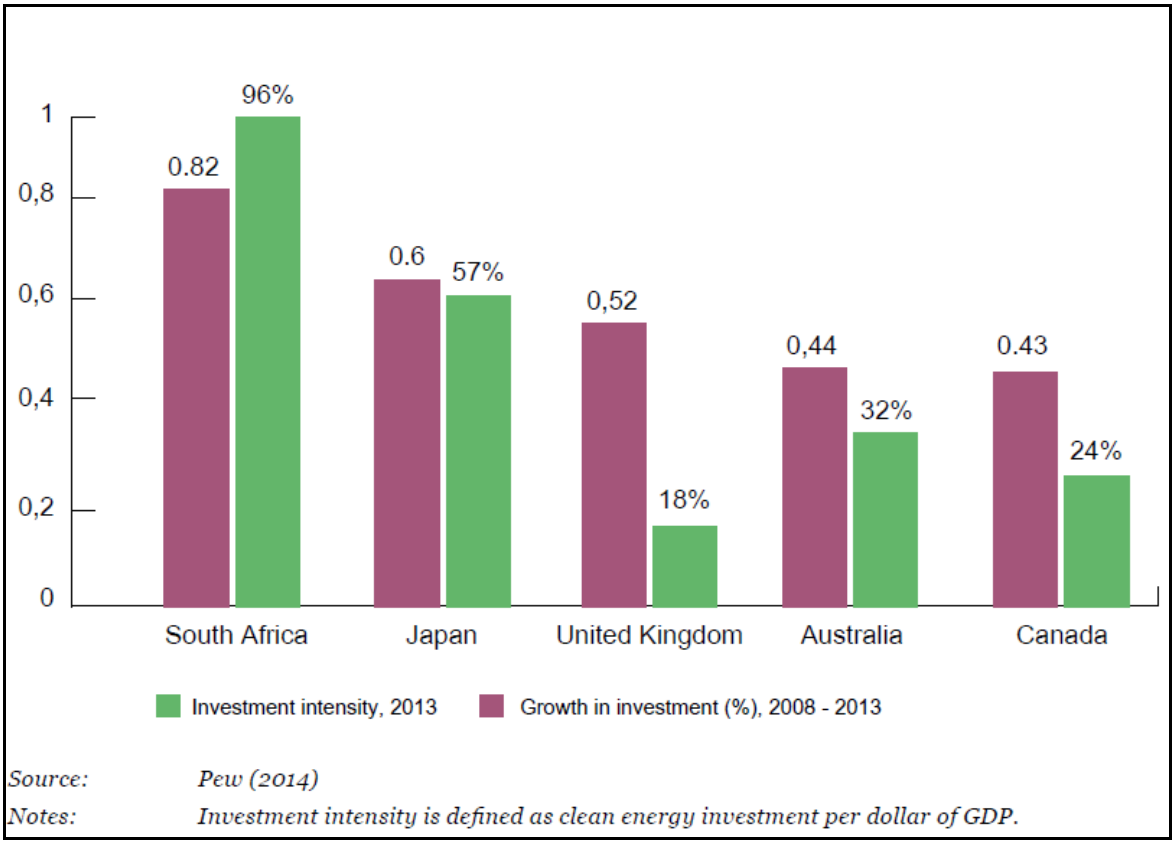
2.4.4 WWF SA Renewable Energy Vision 2030

In its vision the WWF motivated for a more ambitious plan, suggesting that the IRP should provide for an 11-19% share of electricity capacity by 2030, depending on the country's growth rate over the next fifteen years. The vision is to increase renewable energy at the expense of new coal-fired and nuclear capacity. The report notes that in addition to the obvious environmental benefits of this scenario, it will enable South Africa to add flexibility to energy supply capacity on an on-demand basis.

The report notes that Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) introduced in 2011, has by all accounts been highly successful in quickly and efficiently delivering clean energy to the grid. Increasingly competitive bidding rounds have led to substantial price reductions. In this regard, the study indicates that in three years, wind and solar PV have reached pricing parity with supply from new coal-fired power stations from a levelised cost of electricity (LCOE) perspective.

In bidding window 3 of August 2013, the average tariffs bid for wind and solar PV were R0,66/kWh and R0.88/kWh respectively, well below the recent estimates of R1.05/kWh for supply from the coal-fired Medupi and Kusile power stations (Papapetrou 2014).

The report also notes that the REIPPPP has several contracting rounds for new renewables supply. A robust procurement process, extension of a 20-year sovereign guarantee on the power purchase agreement (PPA) and, especially, ideal solar power conditions, have driven the investment case for RE in South Africa. In this regard, South Africa has been identified as one of the worlds' leading clean energy investment destinations (Figure 2.1).



Source: *Pew (2014)*

Notes: *Investment intensity is defined as clean energy investment per dollar of GDP.*

Figure 2.1: South Africa leads as a clean energy investment destination

With regard to local economic development, the REIPPPP sets out various local economic development requirements with stipulated minimum threshold and aspirational targeted levels, which each bidder must comply with. Based on the Broad-Based Black Economic Empowerment Codes, this requirement comprises the following components which make up a scorecard:

- Ownership by black people and local communities.
- Job creation.
- Local content.
- Management control.
- Preferential procurement.
- Enterprise development.
- Socio-economic development.

The final award is based on a combined evaluation in which price determines 70% of the ranking and performance on the local economic development scorecard the remaining 30%. This gives non-price criteria a much heavier weighting than they would normally enjoy under Government's preferential procurement policy.

Job creation, local content and preferential procurement accounted for the bulk of possible points on the scorecard in REIPPPP Round 3. Consequently, a requirement to source goods and services locally is considered to be the central driver of project costs associated with local economic development. In terms of local content, the definition of local content is quite broad, being the value of sales less the costs associated with imports. However, through successive bidding rounds, the definition has become subject to more detailed definition, with an expanding list of exclusions and increased

targeting in terms of key components identified by the Department of Trade and Industry for local manufacturing. This has benefitted local manufacturers and suppliers.

The WWF study considers a low and high growth renewable energy scenario. The capital requirements for the low growth scenario are estimated at R474 billion over the period 2014-2030 (2014 Rand value), rising to R1.084 trillion in the high-growth scenario, in which 35 GW of capacity is built. Each annual round of purchasing 2 200 MW of RE capacity would cost approximately R77 billion in 2014 Rand value terms. In relative economic terms, this equates to 2% of the GDP per annum or approximately one quarter of Government's planned annual investment in infrastructure over the medium term. In the low economic growth scenario, which is arguably the more realistic one, the average annual new liability over the period is approximately R40 billion.

The study also points out that infrastructure spend is more beneficial than other government expenditure due to the infrastructure multiplier effect. This refers to the beneficial impact of infrastructure on economic growth in both the short term, resulting from expansion in aggregate demand, as well as in the longer term (six to eight years) due to enhanced productive capacity in the economy. A recent USA study on highway expenditure revealed the infrastructure multiplier to be a factor of two on average, and greater during economic downturns (Leduc & Wilson 2013). This means that one dollar spent on infrastructure raises GDP by two dollars. If the same were to hold true, as similar analysis suggests it would (Kumo 2012, Ngandu et al 2010), this indicates that the construction of renewable energy plants could be a valuable economic growth driver at a time when fears of recession abound.

The report concludes that the WWF is optimistic that South Africa can achieve a much more promising clean energy future than current plans allow for. With an excellent solar resource and several good wind-producing pockets, the country is an ideal candidate for a renewable energy revolution.

The report indicates that the levelised cost of producing renewable energy already competes favourably with the three main alternatives, namely coal, gas and nuclear. In addition, renewable energy would contribute to a more climate-resilient future and insulate South Africa from dependence on expensive and unreliable fuel sources priced in dollars. Critical from a planning perspective, the report notes that renewable energy can also provide added flexibly on an 'as needed' basis, as electricity demand grows. This is vital in a highly uncertain environment.

2.4.5 The impact of the green economy on jobs in South Africa

The paper notes that greening the economy is particularly important in South Africa for two basic reasons: (1) the exceptional level of unemployment that the country is experiencing and (2) the high carbon impact of the economy.

In terms of employment, the paper refers to the IDC *Green Jobs R*eport (2011). In summary, the short-term (next 2 years) estimate of total net employment potential is 98 000 jobs, and the long-term (next 8 years) employment potential is 462 567 jobs. Natural resource management is predicted to lead to the greatest number of these at 232 926 long-term jobs. Green energy generation is estimated to produce 130 023 long-term jobs, with energy and resource efficiency measures adding another 67 977 long-term jobs.

The paper notes that the Green Jobs Report was prepared by seventeen primary researchers from three prominent organisations, namely the IDC, the Development Bank of South Africa, and Trade and Industrial Policy Strategies. Many role players from other organisations were also consulted, including the World Wide Fund for Nature, the Green Building Council, the Economic Development Department and private companies involved in green industries.

Despite questions surrounding the employment estimates contained in the Green Jobs Report, green economic activity does appear to generate more local jobs than fossil-fuel-based industries. Some of the estimates also indicate the potential for significant employment. The paper concludes that the figures represent a promising starting point that warrants further research and policy involvement in greening the economy in South Africa.

SECTION 3: OVERVIEW OF STUDY AREA

3.1 INTRODUCTION

Section 3 provides a baseline description of the study area with regard to:

- The administrative context.
- Provincial context.
- Overview of district and local municipalities.
- Site and the surrounding land uses.

3.2 ADMINISTRATIVE CONTEXT

The study area is located within the Ubuntu Local Municipality (ULM), which forms part of the Pixley Ka Seme District Municipality (PKSDM) (Figure 3.1). The PKSDM is made up of eight category B local municipalities which include Emthanjeni, Kareeberg, Thembelihle, Siyathemba, Renosterberg, Ubuntu, Siyancuma and Umsobomvu municipalities (Figure 3.2). The town of Victoria West is the administrative seat of the ULM. The project area is located in Ward 3 of the ULM.

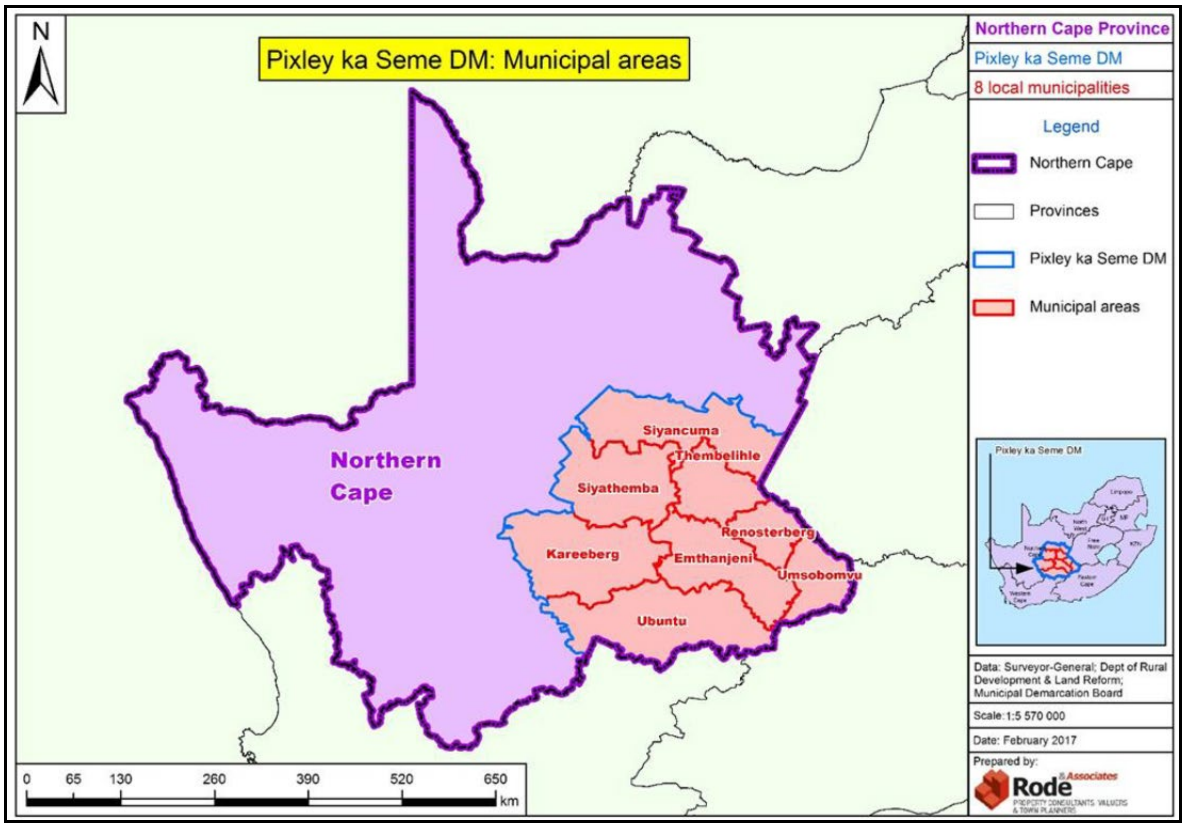


Figure 3.1: Location of Pixley Ka Seme District Municipality within the Northern Cape Province

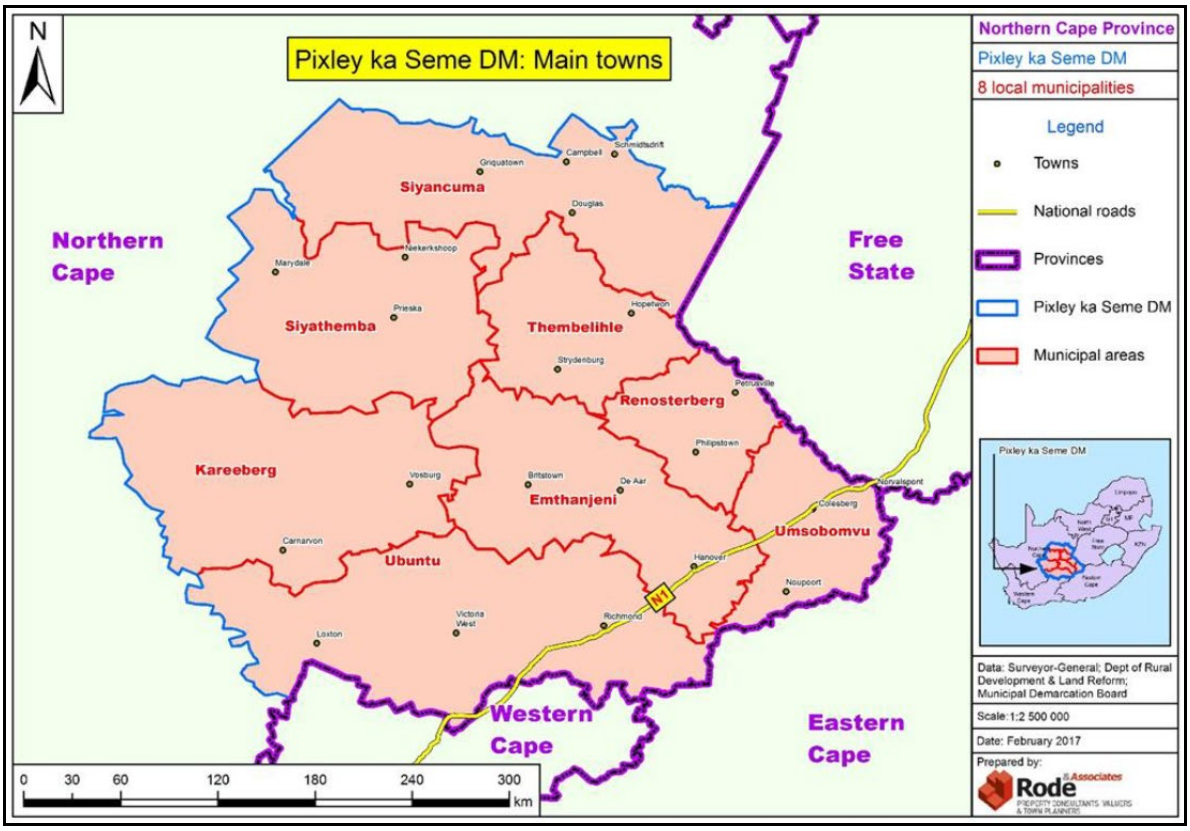


Figure 3.2: Location of Ubuntu Local Municipality within the Pixley Ka Seme District Municipality

3.3 PROVINCIAL CONTEXT[8]

The proposed site located in the Northern Cape Province, which is the largest province in South Africa and covers an area of 361 830 km^2 and, constitutes approximately 30% of South Africa. The province is divided into five district municipalities (DM), namely, Frances Baard, Karoo, Namakwa, Pixley Ka Seme and ZF Mgcawu District Municipality (known before 1 July 2013 as Siyanda DM). The site itself is located in the Pixley Ka Seme DM.

Population

Despite having the largest surface area, the Northern Cape has the smallest population of 1 193 780 (Community Household Survey, 2016) or 2.2% of the population of South Africa. Of the five districts, Frances Baard has the largest population (32.5%), followed by ZF Mgcawu District Municipality (21.2%), John Taola Gaetsewe (20.3%), Pixley ka Seme (16.4%) and Namakwa (9.7%). The majority of the population in the Northern Cape Province are Black African (48.1%), followed by Coloureds (43.7%) and Whites (7.7%).

In terms of age, 36.5% of the Northern Cape population is between 15 and 34 years old, which is the highest age distribution, followed by 29.2% of those aged 35–64

[8] The information in this section is based on the Northern Cape Provincial Growth and Development Strategy 2004-2014. This document does not include 2011 Census Data. Where possible data from the 2011 Census and 2016 Community Household Survey has been used to update the information.

years, while only 6.6% comprised those aged 65 years and older. Similarly, this pattern is also seen across all districts in the province. The district profile shows that the highest proportions of persons aged 15–34 years were recorded in Pixley Ka Seme, ZF Mgcawu and John Taolo Gaetsewe districts. The figures for these three districts were also above the provincial average of 36.5%. The proportion of persons aged 65 years and older was higher in Namakwa (9.5%) and Frances Baard (8.2%).

Education

Based on the information contained in the NCPSDF the average adult education attainment levels in the Northern Cape are lower than the adult education attainment levels of South Africa as a whole. Approximately 19.7% of the Northern Cape adults have no schooling in comparison to South Africa's 18.1%. The Northern Cape has the second lowest percentage of adult individuals (5.5%) that obtained a tertiary education in South Africa. The LED Strategy for the Northern Cape indicates that Pixley ka Seme has the lowest adult education attainment levels in the Northern Cape with 27.3% of the adult population having no form of schooling, whilst John Taolo Gaetsewe is second with 25.4% having no schooling. The highest number of the adult population with tertiary education (6.4%) is located in Frances Baard.

The Northern Cape also has the smallest portion (11.1%) of highly skilled formal employees in South Africa, while Gauteng has the highest (14.3%). Linked to this the Northern Cape has the second largest portion of semi and unskilled formal employees in the country. A lack of skilled people often results in both the public and the private sector being unable to implement planned growth strategies and achieve the desired productivity, service delivery and service quality (NCSDF, 2012).

Economic development

Over the past 8 years there has been little to no variance in the Human Development Index (HDI) figures for the Northern Cape, indicating no increase or decrease in the overall standard of living[9]. This trend is unlikely to change in the foreseeable future, mainly due to the marginal economic base of the poorer areas, and the consolidation of the economic base in the relatively better-off areas. It is important to note that the HDI for the Northern Cape (0.55) is substantially below the South African figure of 0.72. The HDI of 0.55 displays a pattern of semi-development, and there is a definite inequality between the different population groups, with the Whites having a higher development lifestyle than the African or Coloured groups.

The percentage of Northern Cape people living below the poverty line has decreased from 40% in 1995 to 27% in 2011, while the poverty gap has decreased from 11% in 1995 to 8% in 2011 (Figure 3.3). The goal set by the province is to decrease the percentage of people living below the poverty line to 20% by 2015 (NCSDF, 2012). The alleviation of poverty is one of the key challenges for economic development. Higher levels of economic growth are a key challenge for poverty eradication.

[9] The Human Development Index (HDI) was developed by the United Nations Development Programme (UNDP) based on the philosophy that the goal of development was to ensure that individuals live long, informed and comfortable lives. The HDI consists of three components: Longevity, which is measured by life expectancy at birth; Educational attainment, which is measured by two education variables, namely adult literacy and combined gross primary, secondary and tertiary enrolment ratio, and; Income, which is measured by gross domestic product (GDP) per capita. Performance in each dimension is expressed as a value between 0 and 1, and the HDI index gives an internationally accepted measure of the wellness (quality of life) of the population of the area under consideration. The closer the HDI is to 1.0, the higher the level of "living condition". For example, Sweden has an index of 0.91 defined as high, South Africa at 0.72 is defined as middle and Lesotho at 0.47 is defined as low.

Investment in people is pivotal to the eradication of poverty and inequality. Investment in people is also, to a large extent, about delivering social and economic infrastructure for education, welfare, health, housing, as well as transport and bulk infrastructure.

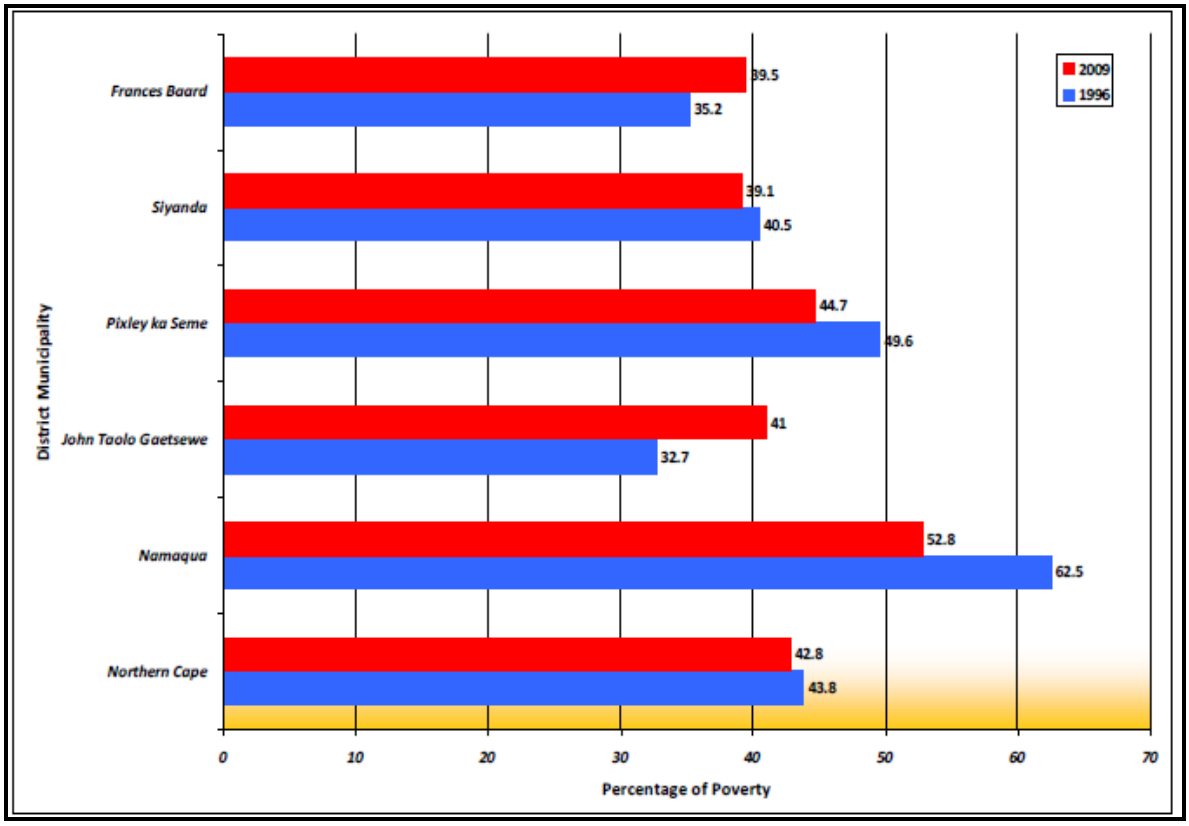


Figure 3.3: Percentage of people living in poverty in the Northern Cape (Source: Global Insight, 2009 as cited in the PGDS, July 2011)[10]

In terms of per capita income, the Northern Cape Province has the third highest per capita income of all nine provinces, however, income distribution is extremely skewed, with a high percentage of the population living in extreme poverty. The measure used in the PGDS document to measure poverty is the percentage of people living below the poverty line or breadline is used[11].

Economic sectors

The Northern Cape economy has shown significant recovery since 2000/2001 when it had a negative economic growth rate of -1.5% (LED Strategy). The provincial economy reached a peak of 3.7% in 2003/2004 and remained the lowest of all provinces. The Northern Cape is the smallest contributing province to South Africa's economy (only 2% to South Africa GDP per region in 2007).

The mining sector is the largest contributor to the provincial GDP, contributing 28.9% to the GDP in 2002 and 27.6% in 2008. The mining sector is also important at a

[10] Siyanda DM is now called the ZF Mgcawu DM.

[11] In terms of the poverty line, a person is considered poor if his or her consumption or income level falls below some minimum level necessary to meet basic needs. The minimum level is usually called the poverty line. In South Africa the poverty income level is set at R800/month for an individual or R 3 200 per month for a household of four.

national level. In this regard, the Northern Cape produces approximately 37% of South Africa's diamond output, 44% of its zinc, 70% of its silver, 84% of its iron-ore, 93% of its lead and 99% if its manganese. Agriculture and agri-processing sector are also key economic sectors. Approximately 2% of the province is used for crop farming, mainly under irrigation in the Orange River Valley and Vaalharts Irrigation Scheme. Approximately 96% of the land is used for stock farming, including beef cattle and sheep or goats, as well as game farming. The agricultural sector contributed 5.8% to the Northern Cape GDP per region in 2007 which was approximately R1.3 billion, and it employs approximately 19.5% of the total formally employed individuals (NCSDF, 2012). The sector is experiencing significant growth in value-added activities, including game-farming. Food production and processing for the local and export market is also growing significantly. The main agricultural produce of the Northern Cape include:

- High-value horticultural products such as table grapes, sultanas and wine grapes, dates, nuts, cotton, fodder, and cereal crops are grown along the Orange River.
- Wheat, fruit, groundnuts, maize and cotton in the Vaalharts irrigation scheme in the vicinity of Hartswater and Jan Kempdorp.
- Vegetables and cereal crops at the confluence of the Vaal River and the Orange Rivers in the vicinity of Douglas.
- Wool, mohair, karakul, Karoo lamb, ostrich meat and leather, and venison throughout most of the province.

Economic development in the Northern Cape is hampered by the vastness of the area and the remoteness of its communities in rural areas. Development is also hampered by the low education and skills levels in the province. As a result unemployment in the Northern Cape presents a major challenge.

Employment

According to Statistics South Africa Labour (2012) the community and social services sector is the largest employer in the province at 29%, followed by the agricultural sector (16%), wholesale and retail trade (14%), finance (8%) manufacturing (6%) and mining (6%), etc. (Figure 3.4).

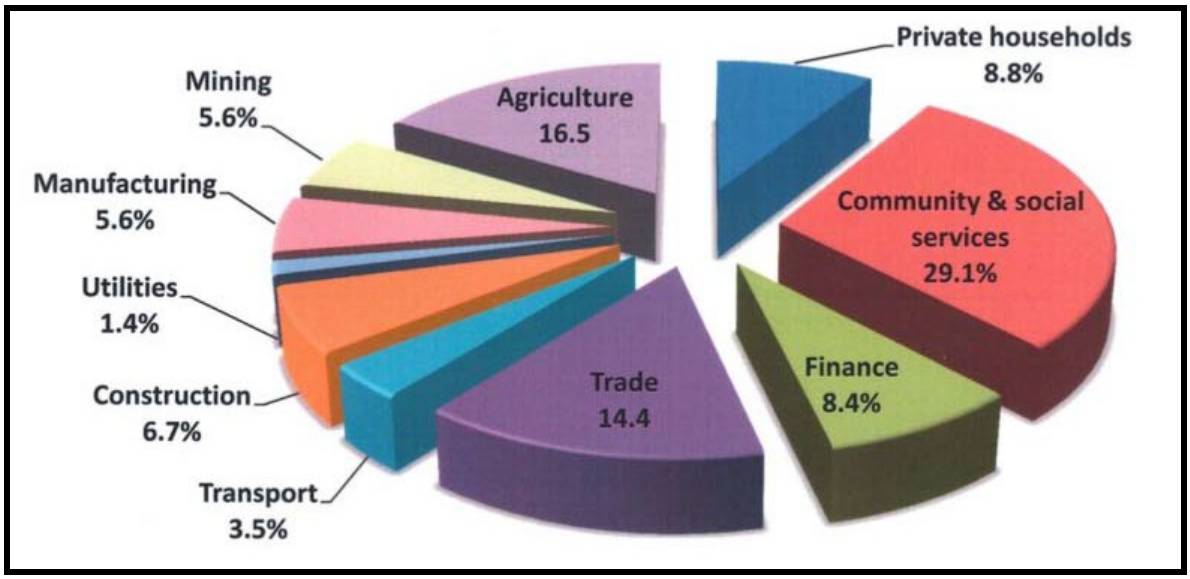


Figure 3.4: Employment by Economic Sector and Industry (Source: Statistics South Africa 2012)

3.4 DEMOGRAPHIC OVERVIEW

Population
The population of the ULM in 2016 was 19 471 (Community Household Survey 2016). Of this total, 38.6% were under the age of 18, 55.9% were between 18 and 64, and the remaining 5.5% were 65 and older. The population of Ward 3 in 2011 was 4 715. Of this total, 37% were under the age of 18, 58% were between 18 and 64, and the remaining 5% were 65 and older. The ULM and Ward 3 therefore have a high percentage of the population that fall within the economically active group of 18-65. The figures are similar to the figures for the PKSDM and Northern Cape (58.5% and 57.7% respectively).

The dependency ratio is the ratio of non-economically active dependents (usually people younger than 15 or older than 64) to the working age population group (15-64). The higher the dependency ratio the larger the percentage of the population dependent on the economically active age group. This in turn translates reduced revenue for local authorities to meet the growing demand for services. The national dependency ratio in 2011 was 52.7%, while the Northern Cape Province was 55.7%. The high provincial dependency ratio is also reflected at a local municipal and ward level. The traditional approach is based people younger than 15 or older than 64. The information provided provides information for the age group under 18. The total number of people falling within this age group will therefore be higher than the 0-15 age group. However, most people between the age of 15 and 17 are not economically active (i.e. they are likely to be at school).

Using information on people under the age of 18 is therefore likely to represent a more accurate reflection of the dependency ratio. Based on these figures, the dependency ratios for the ULM (2016) and Ward 3 (2011) were 79% and 72% respectively. Based on this approach the figures are similar to the figure for the Northern Cape (73.3%). The high dependency ratios reflect the limited employment and economic opportunities in the area.

In terms of race groups, Coloureds made up 73% of the population on the ULM, followed by Black Africans, 22.5% and Whites, 4.5%. In Ward 3, Coloureds made up 77.3% of the population, followed by Whites, 14.8% and Black Africans, 6.7The main first language spoken in both the ULM and Ward 3 was Afrikaans, 82.5% and 92.5% respectively.

Households and house types
There were a total number of 6 034 (2016) and 1 609 (2011) households in the ULM respectively. Of these 90.4% (ULM) and 92.4% (Ward 7) were formal houses. 6.6% of the structures in the ULM and 1.2% in Ward 3 were shacks. The majority of dwellings in the ULM and Ward 3 are therefore formal structures. The majority of the properties in the ULM (59.2%) were owned and fully paid off. In Ward 3 the majority of properties were occupied rent free. This figure reflects the rural nature of Ward 3 and the rent-free status of farm workers. Approximately 33.6% of the households in the ULM and 18.8% of the households in Ward 3 were headed by women. These figures are lower than the rate for the PKSDM (37%) and Northern Cape (39%). Despite the figures for the ULM being lower than the district and provincial averages, women headed households tend to be more vulnerable.

Household income
Based on the data from the 2011 Census, 11.7% of the population of the ULM had no formal income, 3.6% earned less than R 4 800, 6.2% earned between R 5 000 and R

10 000 per annum, 24.1% between R 10 000 and R 20 000 per annum and 24% between R 20 000 and 40 000 per annum (2016). For Ward 3, 5.9% of the population had no formal income, 2.5% earned less than R 4 800, 5.1% earned between R 5 000 and R 10 000 per annum, 30.9% between R 10 000 and 20 000 per annum and 29% between R 20 000 and 40 000 per annum (Census 2011).

The poverty gap indicator produced by the World Bank Development Research Group measures poverty using information from household per capita income/consumption. This indicator illustrates the average shortfall of the total population from the poverty line. This measurement is used to reflect the intensity of poverty, which is based on living on less than R3 200 per month for an average sized household (~ 40 000 per annum). Based on this measure, in the region of 69.6% of the households in the ULM and 73.4% in Ward 3 live close to or below the poverty line. The low-income levels reflect the rural nature of the local economy and the limited formal employment opportunities outside in the area. This is also reflected in the high unemployment rates. The low-income levels are a major concern given that an increasing number of individuals and households are likely to be dependent on social grants. The low-income levels also result in reduced spending in the local economy and less tax and rates revenue for the ULM. This in turn impacts on the ability of the ULM to maintain and provide services.

Household income levels are likely to have been impacted by the COVID-19 pandemic. The number of households in the ULM and Ward 3 that live close to or below the poverty line is likely to have increased over the last 18 months. This, coupled with the high dependency ratio, is a major cause of concern for the area.

Employment

The official unemployment rate in the ULM in 2011 was 18.1%, while 44.2% were employed, and 33.2% were regarded as not economically active. The figures for Ward 3 in 2011 were 6.8% unemployed, 62.5% employed and 28.4% not economically active. The unemployment rates for the ULM and Ward 3 are lower than the Provincial rate of 14.5% and the District rate of 14.8%. However, the COVID-19 pandemic is likely to have resulted in an increase in unemployment rates in both the ULM and Ward 3. Recent figures released by Stats South Africa also indicate that South Africa's unemployment rate is in the region of 36%, the highest formal unemployment rate in the world.

Education

In terms of education levels, the percentage of the population over 20 years of age in the ULM and Ward 3 with no schooling was 11.8% (2016) and 20.7% (2011) respectively, compared to 7.9% and 11.1% for the Northern Cape Province in 2016 and 2011 respectively. The percentage of the population over the age of 20 with matric was 23.2% and 15.6% respectively, compared to 29.1% (2016) and 25.2% (2011) for the Northern Cape. The lower education levels are linked to rural, isolated nature of the area.

3.5 MUNICIPAL SERVICES

Electricity
Based on 2016 survey, 84.7% of households in the ULM had in-house prepaid meters, while 6.6% had no access to electricity. No data was on electricity access was available for Ward 3.

Access to water
Based on the 2016 survey information, 89% of households in the ULM were supplied by a service provider, while 9.8% relied on their own sources. For Ward 3, 56% of households relied on boreholes, while 31.1% were provided with water by a local service provider and 6% from tankers (2011). This high reliance on boreholes reflects the rural nature on Ward 3.

Sanitation
87.6% of the households in the ULM had access to flush toilets (2016), while 4.1% relied on bucket toilets and 5.8% did not have access to formal sanitation. In Ward 3, only 55.7% of the households had access to flush toilets, while 15.4% relied on pit latrines and 21.7% had no form of formal sanitation (2011). The high percentage of households with no formal form of sanitation reflects the rural nature of Ward 3.

Refuse collection
82.6% of the households in the ULM had access to regular refuse removal service, while 7.5% disposed of their waste at their own dump and 5.1% used communal dumps (2016). In Ward 3, 20.4% of households had access to regular refuse removal service, 56.2% disposed of their waste at their own dump and 17.6% had not access to refuse removal services (2011). The lower figures for Ward 3 reflect the rural nature of the area and the difficulty of providing municipal services to areas located at a distance from the main towns in the area.

3.6 HEALTH, COMMUNITY AND SAFETY FACILITIES

In terms of health care facilities, there is a hospital and clinic in Victoria West and Richmond, and also a clinic in Loxton (Table 3.1). The key issues facing the health services in the area include:

- Inadequate health facilities.
- Limited medical staff (Doctors & Nurses).
- Limited equipment.
- Shortage of ambulances

Table 3.1: Health Facilities in ULM

Health Facilities	Clinic	Hospital	Ambulance Facilities
Victoria West	1	1	Yes
Richmond	1	1	Yes
Loxton	1	0	0
Hutchinson	0	0	0
Merriman	0	0	0
Total	**3**	**2**	**2**

The public facilities include libraries in all of the towns, except Merriman. There are also community halls in the larger towns (Table 3.2).

Table 3.2: Community Facilities in ULM

Towns	Cemeteries	Libraries	MPCC	Community Halls	Recreational Facilities	Museums
Victoria West	4 private & 1 public	2	-	3	1 caravan park	1
Richmond	2 public & 1 private	1 private & 1 public	-	3	1 park & 1 caravan park	1
Loxton	1 public & 1 private	1	-	1	1 park & 1 caravan park	-
Merriman	1 private	-	-	--	-	-
Huchinson	1 public	1	-	-	-	-
Farms	-	2	-	-	-	-
Ubuntu LM	12	8	0	7	5	2

The key issues identified in the IDP include:

- Inadequate recreational facilities in all the towns.
- Poor maintenance

In terms of safety and security all three of the main towns have police stations (Table 3.3). There are also magistrate and district courts in Victoria West and Richmond.

Table 3.3: Safety and security facilities in ULM

Towns	Police stations	Magistrate court	District court
Victoria west	1	1	1
Richmond	1	1	1
Loxton	1	-	-
Total	3	2	2

The key issues identified in the IDP include:

- Need for satellite police stations in townships.
- Shortage of police staff and vehicles.
- Shortage of magistrates

3.7 ECONOMIC OVERVIEW

Agriculture

Agriculture is the key economic sector in the PKSDM and ULM. Many of the towns within the district municipal area function mainly as agricultural service centres, with the level of services provided at the centres to a large extent reliable on the intensity of the farming practices in the surrounding area.

Despite the largely semi-arid and arid environment in the district, the fertile land that lies alongside the Orange, Vaal and Riet Rivers supports the production of some of the country's finest quality agricultural products, including grapes and vegetables. The main livestock farming in the region include cattle, sheep and goat farming. Game

breeding has also been identified as one of the opportunities which could be linked with the tourism sector for Game reserves and hunting activities.

However, despite the key role played by agriculture there is limited value adding to the farming products within the district and the area is prone to droughts and climate change.

Mining
The main deposits in Pixley ka Seme include alluvial diamond mining along the Orange River and various semi-precious stones, such as tiger-eye and zinc deposits. The region also has various saltpans for the potential of salt production. Uranium deposits also occur in the district.

Tourism
The tourism sector in the district contributes 15.6% to the provincial gross value added (GVA). The municipalities Emthanjeni, Kareeberg, Umsobomvu and Siyancuma municipalities are the biggest contributors to the provincial gross value added (GVA). The PKSDM IDP notes that the tourism opportunities in the district will increase due to the Karoo Array Telescope (KAT), a project being driven at a national level. Of relevance, the PKSDM notes that care needs to be taken with developments that have the potential to negatively impact on the Karoo landscapes.

Renewable energy
Of key relevance the PKSDM IDP identifies renewable energy as key economic sector and refers to the substantial socio-economic development (SED) and enterprise development (ED) contributions leveraged by the IPPPP commitments. The IDP notes that the towns of Prieska and Carnarvon have in recent years changed character from small rural towns to potentially regional hubs as a result of investments in renewable energy generation and the Square Kilometre Array (SKA) radio telescope project, respectively.

3.8 OVERVIEW OF STUDY AREA

3.8.1 Introduction

The Loxton 2 WEF site is located approximately 8.2 km[12] north of the small town of Loxton in the central southern Northern Cape Province (NCP) (Figure 3.5). Loxton forms part of the sparsely populated Ubuntu Local Municipality (LM). The Ubuntu LM is sparsely populated. Settlement is confined to three small towns (Loxton, Victoria West and Carnarvon) and two railway sidings. Victoria West, located approximately 60 km to the east of the site, is the largest town and seat of the Ubuntu LM. Carnarvon, located approximately 40 km north-west of the site, is the only other settlement in any significant proximity to the site. Carnarvon is the seat of the Kareeberg LM. Beaufort West, located approximately 101 km to the south of the site, is the nearest large town.

[12] All distances linear.

Figure 3.5: Loxton 2 WEF site properties (blue fill) in relation to NCP-WCP boundary (grey), settlements, the R63 (yellow line), Pampoenpoort road (dark blue) and other study area roads (red).

Primary access to the study area is off the R63, directly, or via intersecting public gravel roads. The R63 connects Carnarvon to Victoria West and the N10 corridor via Loxton. The R63 forms part of the Karoo Highlands tourism route but is not a designated scenic drive. The road bypasses Loxton to the north (Photograph 3.1). Study area properties are accessed from either the R63 to Carnarvon ('Carnarvon Road') or Victoria West (Victoria West Road') and intersecting Pampoenpoort Road (Photograph 3.2). The northern site properties are accessed off the Carnarvon Road via a forked gravel road which terminates at Saaidam and Rooipoort (Photograph 3.3). The road between Saaidam and Aarfontein is no longer passable, i.e., there is no longer any direct link between the Carnarvon- and Victoria West roads via the study area.

Photograph 3.1: Loxton seen from the turnoff from the R63 north of town

Photograph 3.2: Intersection of Pampoenpoort Road and R63 (to Victoria West)

Photograph 3.3: Intersection of Saaiplaas Road and R63 (to Carnarvon)

The study area is located on the Great Escarpment in the arid Central Karoo region. The landscape is relatively flat, punctuated by ranges of low koppies (Photograph 3.4). The veld consists of low karroid scrub with a small grass component. Trees are confined to ephemeral drainage courses and farmyards. No protected natural areas are located in any significant proximity to the WEF site. No Eskom transmission line corridors, substations, or renewable energy facilities (REFs) are located in the immediate study area.

Photograph 3.4: Low kopjes and scrub veld on Aarfontein

Economic farming units in the study area are large, typically consisting of several properties. Some farmers lease additional land. The study area settlement is

consequently sparse, and mainly concentrated on a few base farms, typically near public roads. Labourers typically live on the base properties. Farmsteads and labourers' houses on several properties have become redundant and are no longer inhabited.

The study area properties are used primarily for farming livestock, mainly sheep (Photograph 3.5). Carrying capacities are modest, around 2.6 ha per sheep.[13] Most farming operations grow fodder crops such as alfalfa under irrigation for own use in their operations (Photograph 3.6). A few farmers also grow vegetable seed and garlic under irrigation. Irrigated areas are typically confined to near farmyards. Employment associated with livestock farming operations is limited. Commercial game farming and hunting is currently only associated with Meltonwold (midway between Loxton and Victoria West) and Jakkalsdans (south of Loxton).

Photograph 3.5: Sheep grazing on Aarfontein

Photograph 3.6: Irrigated fodder on Saaidam

Tourism receptors in the study area are largey associated with accommodation facilities in Loxton and a few farms. The historic Loxton settlement is a relatively well preserved. Lanes of mature pines and pear trees line several streets. Apart from guest accommodation, tourism facilities are limited to two coffee shops, one of which currently closed. Guest farms around Loxton include Osfontein and Soutpoort off the Carnarvon Road, Biesiespoort and Meltonwold off the Victoria West road, and Jakkalsdans south of Loxton (Photograph 3.7). The key amenity is the undeveloped 'Karoo' sense of place. Game viewing, trophy hunting, and upmarket accommodation is currently only associated with Jakkalsdans. The Jakkalsdans property (boundary) is located approximately 5 km south of the site.

[13] https://gis.elsenburg.com/apps/cfm/#

Photograph 3.7: Farm stay accommodation and outbuildings on Biesiespoort

3.8.2 Site properties

The Loxton 2 WEF site consists of seven properties and collectively occupy an area of around 31 340 ha (Figure 3.6). Two additional properties, Farm 582/RE and Springfontein 573/RE, would only be affected by the proposed site access (Alternative 1) and project roads. Both form part of Loxton 1 WEF. The site properties are accessed via the Springfontein- and Pampoenpoort gravel roads. The construction phase premises, the substation, O&M offices, and BESS are proposed in a single cluster on Saaidam 574/RE. Two properties, Rietfontein 572/12 and Saaidam 574/RE are also proposed to accommodate Loxton 2 WEF infrastructure, while a third, Yzervarkspoort 139/RE is proposed to accommodate Loxton 3 WEF infrastructure.

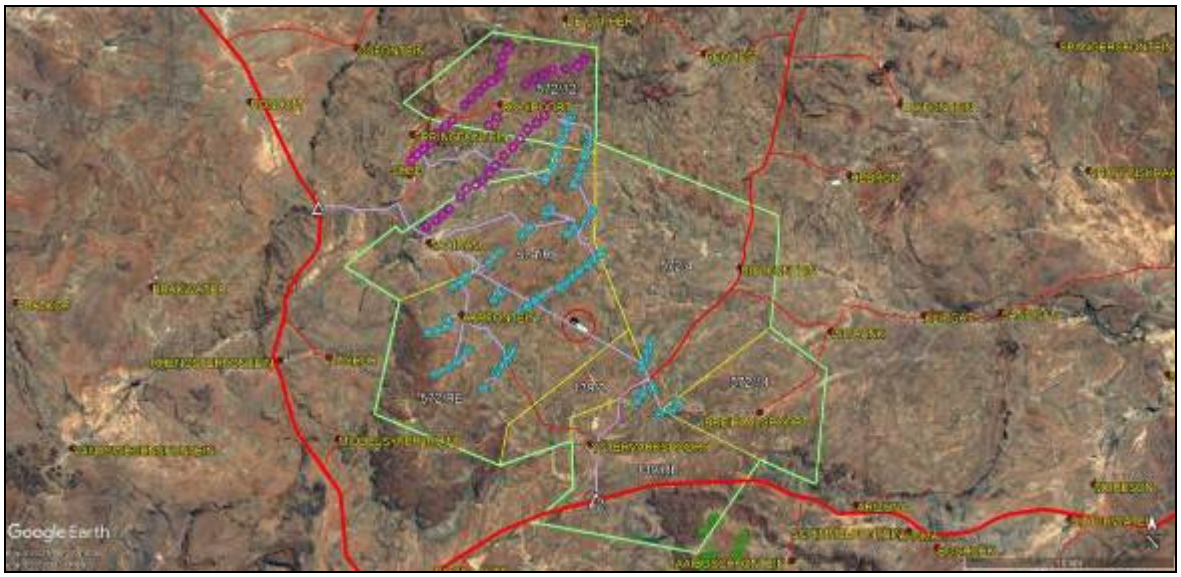


Figure 3.6: Loxton 2 WEF site properties (blue outline) in relation to proposed WEF 2 turbines (blue circles), construction- and operational phase terrains cluster (circled red), project roads (light purple), and site access Alts (white triangles). Also indicated are roads (red) and proposed Loxton 1 WEF (pink circles) and WEF 3 turbines (green circles).

The 7 site properties are owned by five landowners, Messrs Jan Human, Carlo Nolte, Neil Viljoen, Willem Vorster and Jan Wiese. The properties associated with the proposed access are owned by Mr Koos Vorster (Table 3.4). Three of the site properties – Saaidam, Rietfontein and Yzervarkspoort – are inhabited. The farmstead

on Saaidam is occupied by the owner. Rietfontein is the base farm for a larger operation and is inhabited by the owner and four labourer households. Yzervarkspoort is occupied by Mr Wiese's retired parents and two single labourers. Two farm labourer households reside on Springfontein (Photographs 3.8-3.11). The dwellings on Aarfontein are no longer inhabited. The owner however intends to renovate the farmstead as tourist accommodation. The dwellings on Breipaalspoort and Rooipoort are no longer habitable.

Table 3.4: Overview of properties directly affected by Loxton 2 WEF infrastructure

OWNER	PROPERTY	LAND USE	RES	COMMENT
Human, Mr Jan	Rietfontein 572/11	Livestock	Breipaalspoort (uninhabited)	2 x turbines Leased to Mr Carlo Nolte
Nolte, Mr Carlo	Rietfontein 572/4	Livestock	Rietfontein	Base farm; 4 x turbines
	Rietfontein 572/12	Livestock	Rooipoort (ruin)	5 x turbines; 23 x WEF 1 turbines
Viljoen, Mr Niel	Saaidam 574/RE	Livestock	Saaidam	Base farm; 25 x turbines; 5 x WEF 1 turbines; Construction phase premises; SS, O&M, BESS
Vorster, Mr Koos	Farm 582/RE	Livestock	n.a.	Operation based on Rhenosterfontein; Site access Alt 1 and road only; 14 x WEF 1 turbines
	Springfontein 573/RE	Livestock	Springfontein (labourer h/h)	
Vorster, Mr Willem	Rietfontein 572/RE	Livestock	Aarfontein (uninhabited)	Operation based on Meltonwold; 20 x turbines
Wiese, Mr Jan	Ystervarkspoort 139/RE	Livestock	Ystervarkspoort	Operation based on Biesiespoort; 4 x turbines; Site access Alt 2; 2 x WEF 3 turbines;
	Ystervarkspoort 139/2	Livestock	n.a.	Operation based on Biesiespoort; 1 x turbine

Photograph 3.9: Farmstead, labourer's houses and outbuildings on Rietfontein

Photograph 3.9: Farmstead on Yzervarkspoort.

Photograph 3.10: Labourer's house on Yzervarkspoort

Photograph 3.11: Uninhabited dwelling on Aarfontein.

All the properties are primarily used for livestock farming, mainly sheep. Rietfontein (572/4) and Saaidam are the only base farms. The Rietfontein (Nolte) operation also includes Rooipoort (572/11) and properties adjacent to the east. Mr Nolte also leases Mr Human's property (572/12). Saaidam 574/RE (~5 769 ha) is the only property farmed by Mr Viljoen. Mr Koos Vorster's operation is based on Rhenosterfontein, Mr Willem Vorster's on Meltonwold, and Mr Wiese's on Biesiespoort. No tourism or commercial hunting is associated with any of the site properties.

3.8.3 Adjacent properties

The WEF 2 site properties border onto 15 properties which, together with the site properties collectively occupy an area of approximately 81 579 ha (Figure 3.7).

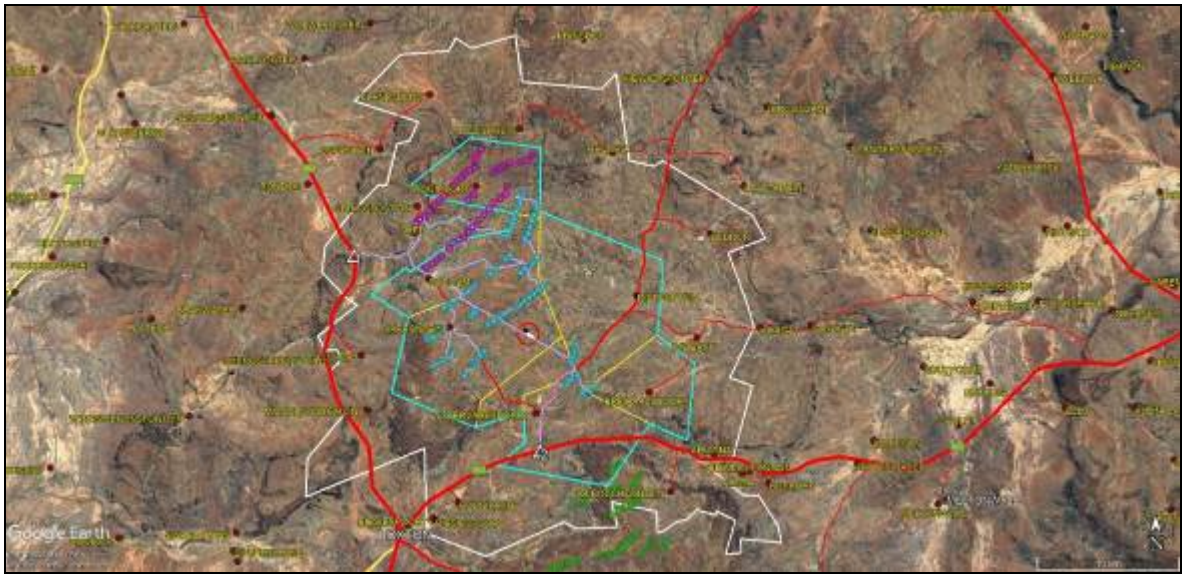


Figure 3.7: Loxton 2 WEF site properties (blue outline) in relation to adjacent properties (white outline)[14], proposed WEF 2 turbines (pink circles), construction- and operational phase terrains cluster (circled red), project roads (light purple), and site access Alts (white triangles). Also indicated are roads (red) and proposed Loxton 1 WEF (pink circles) and Loxton 3 WEF (green circles) turbines.

The settlement pattern is sparse. Of the 15 adjacent properties, Lushof, Elandsberg, De Cypher, Riefontein, Herberg, Witbank, Taaiboschfontein, Biesiespoort and Rooivlakte (Biesiespoort) are permanently inhabited (Photograph 3.12). Near-adjacent inhabited farms include Rhenosterfontein, Rondom, and Yzervarkspoort. Mr Koos Vorster's farming operation is based on Rhenosterfontein.

Photograph 3.12: Farmyard on Rhenosterfontein

All the site-adjacent properties are used primarily for livestock farming. Tourist 'farm stay' accommodation facilities on site-adjacent and near-adjacent properties are associated with Osfontein, Lushof (Soutpoort) and Biesiesfontein (Photograph 3.13). No commercial hunting or hunting tourism is associated with site-adjacent or near-adjacent properties.

[14] Mapped from: https://csggis.drdlr.gov.za/psv/

Photograph 3.13: Outbuildings and tourist accommodation on Biesiespoort

3.8.4 Relationship to receptors

All the site properties are used primarily for extensive grazing as part of larger farming operations. Footprint losses to grazing associated with infrastructure could be absorbed by the larger operations (Table 3.5). No buildings or cropping areas would be affected by the proposed infrastructure. Some boundary fences would however be affected by project roads.

The study area settlement pattern is very sparse, and concentrated on a few base properties. The Loxton built edge is located approximately 11 km of the nearest proposed turbine. Only 11 inhabited farmsteads are located within 10 km of the nearest turbines, only four of which within 5 km, namely Lushof (~4.8 km) De Cypher (~4.6 km), Saaidam (~2.4 km) and Ystervarkspoort (~2.9 km). The accommodation facility on Soutpoort (4.8 km) is the only tourism receptor within 10 km of the nearest turbine. The facilities on Osfontein and Biesiespoort are located 11.7 km and 10.2 km from the nearest turbines, respectively. The tourist accommodation cluster on Jakkalsdans is located ~18.3 km from the nearest turbine, and the property boundary approximately 9 km. The nearest turbines are located approximately 6.4 km east of the Carnarvon Road, and approximately 3.3 km north of the Victoria West road.

Table 3.5: Key receptors in relation to Loxton 2 WEF infrastructure

OWNER	PROPERTY	RECEPTOR[15]	KM[16]	COMMENT
Aspeling, Mr Pieter	Schimmel Fontein 134/1	Arizona (secondary)	9.8	
Cloete, Mr Hendrik	Farm 570/2	Lushof (Soutpoort)	4.8	
Human, Mr Jan	Rietfontein 572/11	Breipaalspoort (uninhabited)	4	WEF 2 site
Lubbe, Mr Stegman	Nieuwe Uitvlugt 139/1	Osfontein	11.7	
Muller, Mr Louis	De Cyfer 91/RE	De Cypher	4.6	
Nolte, Mr Carlo	Hartebeesfontein 94/RE	Hebron	12.3	
	Rietfontein 572/4	Rietfontein	5.6	WEF 2 site
	Rietfontein 572/12	Rooipoort (ruin)	3.3	WEF 2 site

[15] Shading indicates tourism receptor.
[16] Shading indicates inhabited dwellings within 5 km of the nearest turbine. The 5 km distance is merely to highlight proximity.

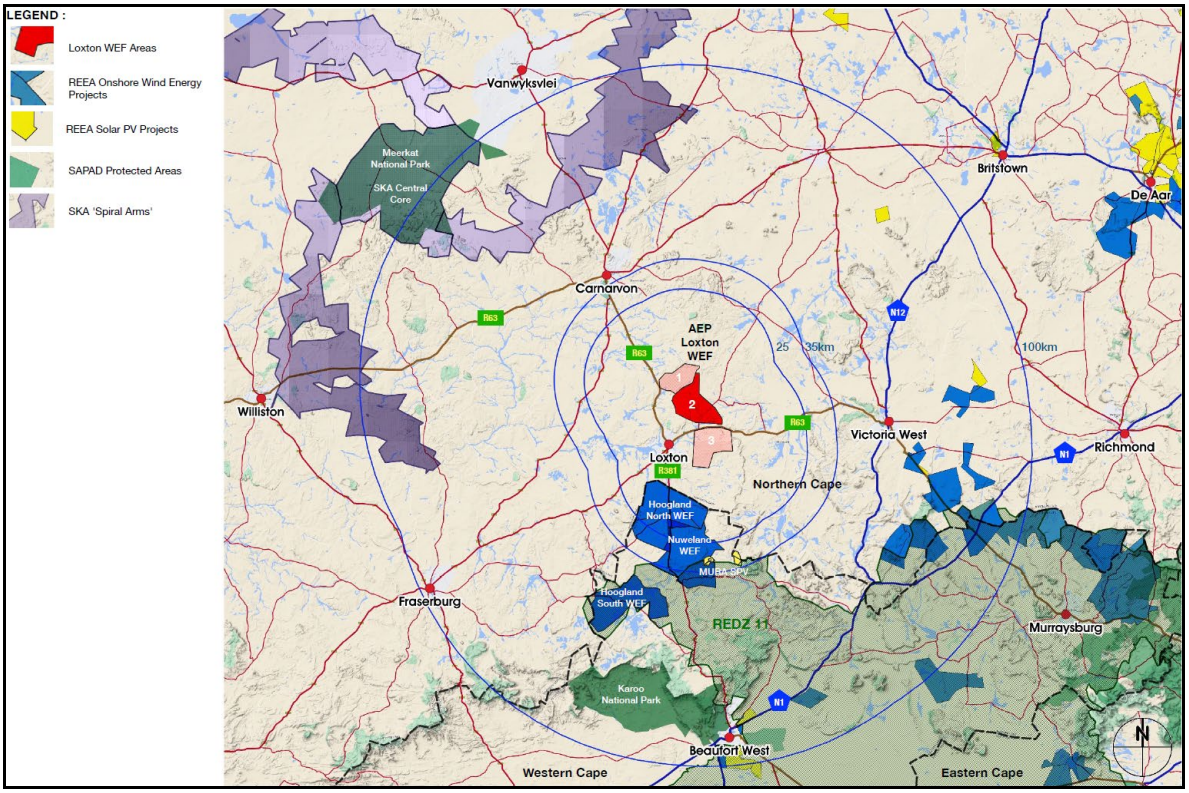
Nolte, Mr Willem	Bronkhorst Request 92/RE	Request (uninhabited)	6.7	Leased out to Mr vd Westhuizen
Unknown	Klipgatsfontein 133/7	Witbank	8.1	
Unknown	Uitspanberg 142/RE	Middelsyfer (ruin)	5.5	
Unknown	Vogelfontein 538/1	Elandsberg	9.6	
Van der Westhuizen, Mr Nicola	Jackal's Dance 143/RE	Jakkalsdans	18.3	Nearest turbines located ~9.1 km from Jakkalsdans game/ hunting property
Viljoen, Mr Niel	Saaidam 574/RE	Saaidam	2.4	WEF 1 and WEF 2 site
Vorster, Mr Koos	Farm 570/1	Rhenosterfontein	7.1	
	Springfontein 573/RE	Springfontein (labourers)	6.6	WEF 1 site
Vorster, Mr Willem	Rietfontein 572/RE	Aarfontein (uninhabited)	0.71	WEF 2 site
	Meltonwold 158.RE	Meltonwold	26	
Wiese, Mr Jan	Ystervarkspoort 139/RE	Ystervarkspoort	2.9	WEF 2 and WEF 3 site
	Biesjespoort 140/RE	Biesiespoort Rooivlakte	10.2 8.8	
Wiese, Ms Hanneke	Farm 262	Taaiboschfontein	9	WEF 2 and WEF 3 site

The substation, O&M offices and BESS are located in a single cluster on Saaidam. No inhabited dwellings are located within 5 km of the cluster.

Two site access points are proposed, viz. off the Carnarvon Road via the Springfontein gravel road (Alt 1), or off the Victoria-West Road via the Pampoenpoort road and servitude road from Yzervarkspoort to Aarfontein and Saaidam (Alt 2). The Springfontein- and Yzervarkspoort-Saaidam roads serve only the site properties. The Pampoenpoort mainly serves the local farming community.

3.8.5 Other proposed renewable energy facilities

The Loxton 1 WEF site is not located within a Renewable Energy Development Zone (REDZ). The VIA notes that that the proposed Hoogland North WEF, and Nuweveld WEF by Redcap fall within 35 radii of the site. Only parts of the Hoogland North WEF would potentially be seen in combination with the Loxton 2 WEF, although the nature of the topography would result in some visual screening of the various WEF turbines (Figure 3.8). The proposed WEF forms part of a suite of 3 WEF projects currently proposed in concurrent applications.



Source: VIA Lawson and Oberholser (2023)

Figure 3.8: Loxton 2 WEF site (red) in relation to other renewable energy projects within 35km radius

SECTION 4: ASSESSMENT OF KEY SOCIAL ISSUES

4.1 INTRODUCTION

The identification of key issues was based on:

- Review of project related information.
- Site visit and interviews with affected landowners.
- Experience of the author with the area and local conditions.
- Experience with similar projects.

The section is divided into the following sections:

- Compatibility with relevant policy and planning context ("planning fit").
- Social issues associated with the construction phase.
- Social issues associated with the operational phase.
- Social issues associated with the decommissioning phase.
- Social implications of "no development" alternative.
- Social implications associated with cumulative impacts.

The potential social impacts associated with the BESS will be limited. The focus of the SIA is therefore on the assessment of the impact of the wind turbines.

4.2 ASSESSMENT OF POLICY AND PLANNING FIT

The development of and investment in renewable energy is supported by the National Development Plan (NDP), New Growth Path Framework and National Infrastructure Plan, which all refer to and support renewable energy. The development of renewable energy is also supported at a provincial and local level. The development of the proposed WEF is therefore supported by key policy and planning documents.

4.3 CONSTRUCTION PHASE SOCIAL IMPACTS

Potential positive impacts

- Creation of employment and business opportunities, and opportunity for skills development and on-site training.

Potential negative impacts

- Impacts associated with the presence of construction workers on local communities.
- Impacts related to the potential influx of job-seekers.
- Increased risks to livestock and farming infrastructure associated with the construction related activities and presence of construction workers on the site.
- Increased risk of grass fires associated with construction related activities.
- Nuisance impacts, such as noise, dust, and safety, associated with construction related activities and vehicles.
- Impact on productive farmland.

Increased pressure on local services, including water, sewage, and roads etc, was raised as an issue during the scoping phase. This is addressed under cumulative impacts.

4.3.1 Creation of local employment, training, and business opportunities

The construction phase will extend over a period of approximately 24 - 30 months and create in the region of 300-350 employment opportunities. Members from the local communities in the area, including Loxton, Victoria West and Carnarvon, would be in a position to qualify for percentage of the low skilled and semi-skilled employment opportunities. Most of these employment opportunities will accrue to Historically Disadvantaged (HD) members of the community. Based on information from similar projects the total wage bill will be in the region of R 150 million (2023 Rand values). A percentage of the wage bill will be spent in the local economy which will also create opportunities for local businesses in the local towns in the area.

Given relatively high local unemployment levels and limited job opportunities in the area, this will represent a significant, if localised, social benefit. The capital expenditure associated with the construction phase will be approximately R 12 billion (2023 Rand value). Due the lack of diversification in the local economy the potential for local companies is likely to be limited. The majority of benefits are therefore likely to accrue to contractors and engineering companies based outside the ULM. The local service sector will also benefit from the construction phase. The potential opportunities would be linked to accommodation, catering, cleaning, transport, and security, etc. associated with the construction workers on the site.

The potential benefits for local communities are confirmed by the findings of the Overview of the IPPPP undertaken by the Department of Energy, National Treasury and DBSA (December 2021). The study found that to date, a total of 63 291 job years[17] have been created for South African citizens, of which 48 110 job years were in construction and 15 182 in operations. By the end of December 2021, 85 projects had successfully completed construction and moved into operation. These projects created 44 172 job years of employment, compared to the anticipated 30 488. This was 45% more than planned.

In terms of benefits for local communities, significantly more people from local communities were employed during construction than was initially planned. For active projects, the expectation for local community participation was 13 284 job years. To date 25 272 job years have been realised (i.e. 90% more than initially planned), with 23 projects still in, or entering, construction. The number of black SA citizens employed during construction also exceeded the planned numbers by 74%.

The hospitality industry in the area will also benefit from the provision of accommodation and meals for professionals (engineers, quantity surveyors, project managers, product representatives etc.) and other (non-construction) personnel involved on the project. Experience from other construction projects indicates that the potential opportunities are not limited to on-site construction workers but also to consultants and product representatives associated with the project.

[17] The equivalent of a full-time employment opportunity for one person for one year.

Table 4.1: Impact assessment of employment and business creation opportunities during the construction phase

Nature: Creation of employment and business opportunities during the construction phase		
	Without Mitigation	**With Enhancement**
Extent	Local (2)	Local (3)
Duration	Short term (2)	Short term (2)
Magnitude	Medium (3)	Medium (3)
Reversibility	N/A	N/A
Probability	Probable (3)	Highly probable (4)
Significance	Low (21)	Moderate (32)
Status	Positive	Positive
Can impact be enhanced?	Yes	

Enhancement:

Employment

- Preparation and implementation of a Stakeholder Engagement Plan (SEP) prior to and during the construction phase.
- Where reasonable and practical, the proponent should appoint local contractors and implement a 'locals first' policy, especially for semi and low-skilled job categories. However, due to the low skills levels in the area, the majority of skilled posts are likely to be filled by people from outside the area.
- Where feasible, efforts should be made to employ local contactors that are compliant with Broad Based Black Economic Empowerment (BBBEE) criteria.
- Before the construction phase commences the proponent should meet with representatives from the MM to establish the existence of a skills database for the area. If such as database exists, it should be made available to the contractors appointed for the construction phase.
- The local authorities, community representatives, and organisations on the interested and affected party database should be informed of the final decision regarding the project and the potential job opportunities for locals and the employment procedures that the proponent intends following for the construction phase of the project.
- Where feasible, training and skills development programmes for locals should be initiated prior to the initiation of the construction phase.
- The recruitment selection process should seek to promote gender equality and the employment of women wherever possible.

Business

- The proponent should liaise with the MM with regards the establishment of a database of local companies, specifically BBBEE companies, which qualify as potential service providers (e.g., construction companies, catering companies, waste collection companies, security companies etc.) prior to the commencement of the tender process for construction service providers. These companies should be notified of the tender process and invited to bid for project-related work.

Note that while preference to local employees and companies is recommended, it is recognised that a competitive tender process may not guarantee the employment of local labour for the construction phase.

Residual impacts: Opportunity to up-grade and improve skills levels in the area.

Assessment of No-Go option

There is no impact as the current status quo would be maintained.

4.3.2 Impact of construction workers on local communities

The presence of construction workers poses a potential risk to family structures and social networks. While the presence of construction workers does not in itself constitute a social impact, the manner in which construction workers conduct themselves can impact on local communities. The most significant negative impact is associated with the disruption of existing family structures and social networks. This risk is linked to potentially risky behaviour, mainly of male construction workers, including:

- An increase in alcohol and drug use.
- An increase in crime levels.
- The loss of girlfriends and/or wives to construction workers.
- An increase in teenage and unwanted pregnancies.
- An increase in prostitution.
- An increase in sexually transmitted diseases (STDs), including HIV.

While the objective will be to source as many low and semi-skilled workers for the construction phase from the local towns in the area, specifically Loxton, Victoria West and Carnarvon, based on experience from other renewable energy projects the employment opportunities for local community members in the semi and skilled categories is likely to be limited. The majority of semi and skilled construction workers are therefore likely to be from outside of the area. These workers are likely to be accommodated in Loxton, Victoria West and Carnarvon where they may pose a risk to local communities.

Post-project labour stranding was also raised as concern. In this regard reference was made to the impacts associated with the construction of the SKA on the town of Carnarvon, specifically on safety and services. As indicated in the mitigation measures the developer and contractor must ensure that all no local construction workers are transported back to their places of residence once the construction phase is completed.

While the risks associated with construction workers at a community level will be low, at an individual and family level they may be significant, especially in the case of contracting a sexually transmitted disease or an unplanned pregnancy. However, given the nature of construction projects, it is not possible to totally avoid these potential impacts at an individual or family level.

Table 4.2: Assessment of impact of the presence of construction workers in the area on local communities

Nature: Potential impacts on family structures and social networks associated with the presence of construction workers		
	Without Mitigation	**With Mitigation**
Extent	Local (2)	Local (1)
Duration	Short term (2)	Short term (2)
Magnitude	Medium (3)	Low (2)
Reversibility	With rehabilitation/mitigation (3)	With rehabilitation/mitigation (3)
Probability	Probable (3)	Probable (3)
Significance	Moderate (30)	Low (24)
Status	Negative	Negative

Can impact be mitigated?	Yes, to some degree. However, the risk cannot be eliminated	

Mitigation:

- Preparation and implementation of a Stakeholder Engagement Plan (SEP) prior to and during the construction phase.
- Preparation and implementation of a Community Health, Safety and Security Plan (CHSSP) prior to and during the construction phase.
- The SEP and CHSSP should include a Grievance Mechanism that enables stakeholders to report resolve incidents.
- Where possible, the proponent should make it a requirement for contractors to implement a 'locals first' policy for construction jobs, specifically for semi and low-skilled job categories.
- The proponent should consider the option of establishing a Monitoring Committee (MC) for the construction phase that representatives from local landowners, farming associations, and the local municipality. This MC should be established prior to commencement of the construction phase and form part of the SEP.
- The proponent and contractor should develop a Code of Conduct (CoC) for construction workers. The code should identify which types of behaviour and activities are not acceptable. Construction workers in breach of the code should be subject to appropriate disciplinary action and/or dismissed. All dismissals must comply with the South African labour legislation. The CoC should be signed by the proponent and the contractors before the contractors move onto site. The CoC should form part of the CHSSP.
- The proponent and the contractor should implement an HIV/AIDS, COVID-19 and Tuberculosis (TB) awareness programme for all construction workers at the outset of the construction phase. The programmes should form part of the CHSSP.
- The contractor should provide transport for workers to and from the site on a daily basis. This will enable the contactor to effectively manage and monitor the movement of construction workers on and off the site.
- The contractor must ensure that all construction workers from outside the area are transported back to their place of residence within 2 days for their contract coming to an end.
- No construction workers, with the exception of security personnel, should be permitted to stay over-night on the site.

Residual impacts: Impacts on family and community relations that may, in some cases, persist for a long period of time. Also, in cases where unplanned / unwanted pregnancies occur or members of the community are infected by an STD, specifically HIV and or AIDS, the impacts may be permanent and have long term to permanent residual/cumulative impacts on the affected individuals and/or their families and the community.

Assessment of No-Go option

There is no impact as the current status quo would be maintained.

4.3.3 Influx of job seekers

Large construction projects tend to attract people to the area in the hope that they will secure a job, even if it is a temporary job. These job seekers can in turn become "economically stranded" in the area or decide to stay on irrespective of finding a job or not. While the proposed project on its own does not constitute a large construction project, the establishment of a number of renewable energy projects in the area may attract job seekers to the area. As in the case of construction workers employed on the project, the actual presence of job seekers in the area does not in itself constitute a social impact. However, the way in which they conduct themselves can impact on the local community. The main areas of concern associated with the influx of job seekers include:

- Impacts on existing social networks and community structures.
- Competition for housing, specifically low-cost housing.

- Competition for scarce jobs.
- Increase in incidences of crime.

These issues are similar to the concerns associated with the presence of construction workers and are discussed in Section 4.3.1. Based on experience from the construction of other renewable energy facilities the potential for economically motivated in-migration and subsequent labour stranding is likely to limited. This is due to the relatively limited number of employment opportunities, short duration of the construction phase and limited economic opportunities in towns such as Loxton, Victoria West, and Carnarvon.

Table 4.3: Assessment of impact of job seekers on local communities

Nature: Potential impacts on family structures, social networks and community services associated with the influx of job seekers		
	Without Mitigation	**With Mitigation**
Extent	Local (2)	Local (1)
Duration	Short term (2)	Short term (2)
Magnitude	Low (2)	Low (2)
Reversibility	With rehabilitation/mitigation (3)	With rehabilitation/mitigation (3)
Probability	Probable (3)	Probable (3)
Significance	Low (27)	Low (24)
Status	Negative	Negative
Can impact be mitigated?	Yes, to some degree. However, the risk cannot be entirely eliminated	
Mitigation: It is impossible to stop people from coming to the area in search of employment. However, as indicated above, the proponent should ensure that the employment criteria favour residents from the area. In addition: • Preparation and implementation of a Stakeholder Engagement Plan (SEP) prior to and during the construction phase. • Preparation and implementation of a Community Health, Safety and Security Plan (CHSSP) prior to and during the construction phase. • The proponent, in consultation with the LM, should investigate the option of establishing a MC to monitor and identify potential problems that may arise due to the influx of job seekers to the area. The MC should also include the other proponents of solar energy projects in the area. • The proponent should implement a "locals first" policy, specifically with regard to unskilled and low skilled opportunities. • The proponent should implement a policy that no employment will be available at the gate.		
Residual impacts: Impacts on family and community relations that may, in some cases, persist for a long period of time. Also, in cases where unplanned / unwanted pregnancies occur or members of the community are infected by an STD, specifically HIV and or AIDS, the impacts may be permanent and have long term to permanent cumulative impacts on the affected individuals and/or their families and the community.		

Assessment of No-Go option
There is no impact as the current status quo would be maintained.

4.3.4 Risk to safety, livestock, and farm infrastructure

The presence on and movement of construction workers on and off the site poses a potential safety threat to local famers and farm workers in the vicinity of the site. In addition, farm infrastructure, such as fences and gates, may be damaged and stock losses may also result from gates being left open and/or fences being damaged, or stock theft linked either directly or indirectly to the presence of construction workers on the site. The potential risks (safety, livestock, and farm infrastructure) can be effectively mitigated by careful planning and managing the movement of construction workers and construction related activities during the construction phase.

Table 4.4: Assessment of risk to safety, livestock, and damage to farm infrastructure

Nature: Potential risk to safety of farmers and farm workers, livestock and damage to farm infrastructure associated with the presence of construction workers on site		
	Without Mitigation	**With Mitigation**
Extent	Local (2)	Local (1)
Duration	Short term (2)	Short term (2)
Magnitude	Medium (3)	Low (2)
Reversibility	Reversible with compensation (3)	Reversible with compensation (3)
Probability	Probable (3)	Probable (3)
Significance	Moderate (30)	Low (24)
Status	Negative	Negative
Can impact be mitigated?	Yes	
Mitigation: • Preparation and implementation of a Stakeholder Engagement Plan (SEP) prior to and during the construction phase. • Preparation and implementation of a Community Health, Safety and Security Plan (CHSSP) prior to and during the construction phase. • The proponent should enter into an agreement with the local farmers in the area whereby damages to farm property etc. during the construction phase will be compensated for. The agreement should be signed before the construction phase commences. • All farm gates must be closed after passing through. • Contractors appointed by the proponent should provide daily transport for low and semi-skilled workers to and from the site. • The proponent should establish a MC and CoC for workers (see above). • The proponent should hold contractors liable for compensating farmers and communities in full for any stock losses and/or damage to farm infrastructure that can be linked to construction workers. This should be contained in the Code of Conduct to be signed between the proponent, the contractors, and neighbouring landowners. The agreement should also cover loses and costs associated with fires caused by construction workers or construction related activities (see below). • The proponent should implement a Grievance Mechanism that provides local farmers with an effective and efficient mechanism to address issues related to report issues related to damage to farm infrastructure, stock theft and poaching etc. • The Environmental Management Plan (EMP) must outline procedures for managing and storing waste on site, specifically plastic waste that poses a threat to livestock if ingested. • Contractors appointed by the proponent must ensure that all workers are informed at the		

outset of the construction phase of the conditions contained in the Code of Conduct, specifically consequences of stock theft and trespassing on adjacent farms. • Contractors appointed by the proponent must ensure that construction workers who are found guilty of stealing livestock and/or damaging farm infrastructure are dismissed and charged. This should be contained in the CoC. All dismissals must be in accordance with South African labour legislation. • It is recommended that no construction workers, with the exception of security personnel, should be permitted to stay over-night on the site.
Residual impacts: No**,** provided losses are compensated for.

Assessment of No-Go option
There is no impact as the current status quo would be maintained.

4.3.5 Increased risk of grass fires

The presence of construction workers and construction-related activities on the site poses an increased risk of grass fires that could, in turn pose, a threat to livestock, crops, wildlife and farm infrastructure. The potential risk of grass fires will be higher during the dry, windy winter months from May to October. The impacts will be largely local and can be effectively mitigated.

Table 4.5: Assessment of impact of increased risk of grass fires

Nature: Potential loss of livestock and grazing and damage to farm infrastructure associated with increased incidence of grass fires		
	Without Mitigation	**With Mitigation**
Extent	Local (2)	Local (1)
Duration	Short term (2)	Short term (2)
Magnitude	Medium (3)	Low (2)
Reversibility	Reversible with compensation (3)	Reversible with compensation (3)
Probability	Probable (3)	Low Probability (2)
Significance	Moderate (30)	Low (16)
Status	Negative	Negative
Can impact be mitigated?	Yes	
Mitigation: • Preparation and implementation of a Stakeholder Engagement Plan (SEP) prior to and during the construction phase. • Preparation and implementation of a Community Health, Safety and Security Plan (CHSSP) prior to and during the construction phase. • The proponent should enter into an agreement with the local farmers in the area whereby damages to farm property etc., during the construction phase will be compensated for. The agreement should be signed before the construction phase commences. • Contractor should ensure that open fires on the site for cooking or heating are not allowed except in designated areas. • Smoking on site should be confined to designated areas. • Contractor should ensure that construction related activities that pose a potential fire risk, such as welding, are properly managed and are confined to areas where the risk of fires		

has been reduced. Measures to reduce the risk of fires include avoiding working in high wind conditions when the risk of fires is greater. In this regard special care should be taken during the high-risk dry, windy summer months. • Contractor should provide adequate fire-fighting equipment on-site, including a fire fighting vehicle. • Contractor should provide fire-fighting training to selected construction staff. • No construction staff, with the exception of security staff, to be accommodated on site overnight. • As per the conditions of the Code of Conduct, in the advent of a fire being caused by construction workers and or construction activities, the appointed contractors must compensate farmers for any damage caused to their farms. The contractor should also compensate the fire-fighting costs borne by farmers and local authorities.
Residual impacts: No**,** provided losses are compensated for.

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.3.6 Nuisance impacts associated with construction related activities

Construction related activities, including the movement of heavy construction vehicles of and on the site, has the potential to create dust, noise and safety impacts and damage to local roads. The impacts will be largely local and can be effectively mitigated.

Table 4.6: **Assessment of the impacts associated with construction related activities**

Nature: Potential noise, dust and safety impacts associated with movement of construction related activities and movement of traffic to and from the site		
	Without Mitigation	**With Mitigation**
Extent	Local (2)	Local (1)
Duration	Short term (2)	Short term (2)
Magnitude	Low (2)	Low (2)
Reversibility	Reversible (1)	Reversible (1)
Probability	Probable (3)	Low Probability (2)
Significance	Low (21)	Low (12)
Status	Negative	Negative
Can impact be mitigated?	Yes	
Mitigation: • Preparation and implementation of a Stakeholder Engagement Plan (SEP) prior to and during the construction phase. • Preparation and implementation of a Community Health, Safety and Security Plan (CHSSP) prior to and during the construction phase. • Timing of construction activities should be planned to avoid / minimise impact on key farming activities, including planting and harvesting operations. • The proponent should establish a MC to monitor the construction phase and the implementation of the recommended mitigation measures. The MC should be established before the construction phase commences, and should include key stakeholders, including		

representatives from local farmers and the contractor(s). The MF should also address issues associated with damage to roads and other construction related impacts. • Ongoing communication with landowners and road users during construction period. This should be outlined in the SEP. • The proponent should implement a Grievance Mechanism that provides local farmers and other road users with an effective and efficient mechanism to address issues related to construction related impacts, including damage to local gravel farm roads. • Implementation of a road maintenance programme throughout the construction phase to ensure that the affected roads maintained in a good condition and repaired once the construction phase is completed. • Repair of all affected road portions at the end of construction period where required. • Dust suppression measures must be implemented on un-surfaced roads, such as wetting on a regular basis and ensuring that vehicles used to transport building materials are fitted with tarpaulins or covers. • All vehicles must be roadworthy, and drivers must be qualified and made aware of the potential road safety issues and need for strict speed limits.
Residual impacts: If damage to local roads is not repaired then this will affect the other road users and result in higher maintenance costs. The costs will be borne by road users who were no responsible for the damage.

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.3.7 Impacts associated with loss of farmland

The activities associated with the construction phase and establishment of the proposed project and associated infrastructure will result in the disturbance and loss of land available for grazing. The impact on farmland associated with the construction phase can be mitigated by locating laydown areas in already disturbed areas, minimising the footprint of the construction related activities and ensuring that disturbed areas are fully rehabilitated on completion of the construction phase. In addition, the landowner will be compensated for the loss of land.

The only WEF 2 layout related issues were raised by the owner of Saaidam 574/RE, Mr Niel Viljoen.

- The proposed road portion immediately to the east of Saaidam farmstead is located too close to the farmstead and traverses an irrigated cropping area.
- Road portion along boundary with Springfontein 573/RE deemed unnecessary. Instead, use should be made of an existing road.
- Road access to turbine 88 would require a breach of the jackal proof boundary fence. Any breach of the fence is undesirable. A possible alternative would be to move the turbine onto Saaidam.

The applicant has agreed to investigate these issues during the detail design phase prior to construction.

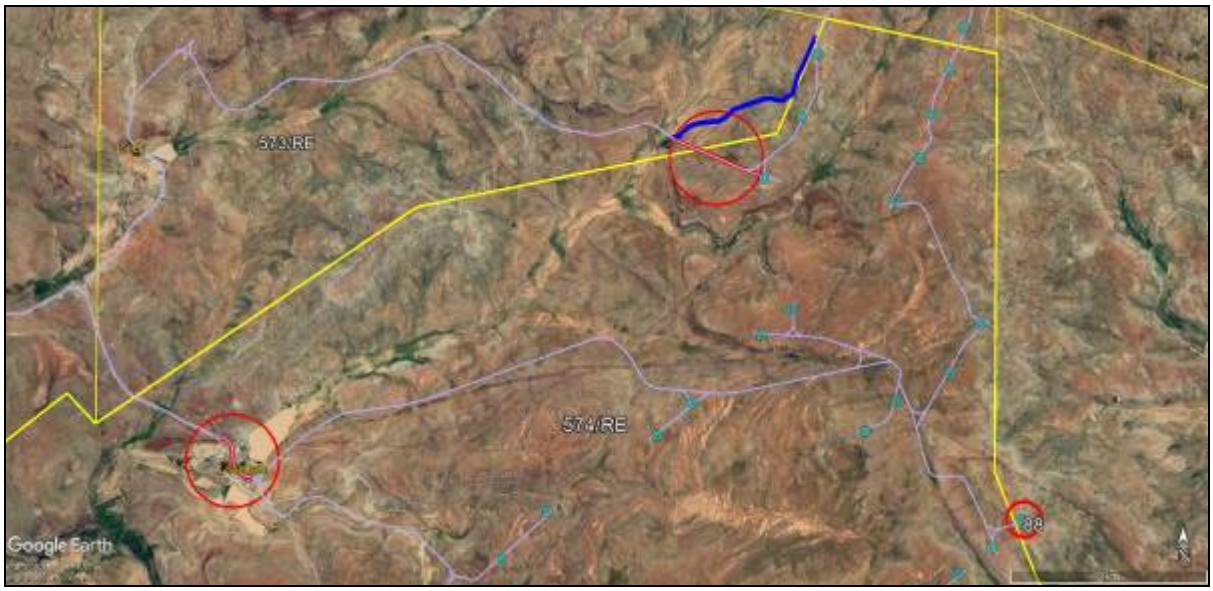


Figure 4.1: Road portion (red lines, circled red) and turbine location (circled red) deemed problematic by Mr Viljoen. Alternative road portion (existing road) in dark blue.

Table 4.7: Assessment of impact on farmland due to construction related activities

Nature: Potential impact on productive farmland due to construction related activities and movement of traffic on the site		
	Without Mitigation	**With Mitigation**
Extent	Local (2)	Local (1)
Duration	Short term (2)	Short term (2)
Magnitude	Medium (3)	Low (2)
Reversibility	Reversible with compensation and rehabilitation (3)	Reversible with compensation and rehabilitation (3)
Probability	Highly Probable (4)	Probable (3)
Significance	Moderate (40)	Low (24)
Status	Negative	Negative
Can impact be mitigated?	Yes	Yes
Mitigation: • The proponent has agreed to investigate the issues raised by the owner of Saaidam 574/RE during the detailed design phase prior to construction. • The loss of high-quality agricultural land should be avoided and or minimised by careful planning of the final layout of the proposed WEF facilities. The recommendations of the agricultural / soil assessment should be implemented. • Affected landowners should be consulted about the timing of construction related activities in advance. • The footprint associated with the construction related activities (access roads, construction platforms, workshop etc.) should be minimised. • An Environmental Control Officer (ECO) should be appointed to monitor the establishment phase of the construction phase.		

• All areas disturbed by construction related activities, such as access roads on the site, construction platforms, workshop area etc., should be rehabilitated at the end of the construction phase. • The implementation of a rehabilitation programme should be included in the terms of reference for the contractor/s appointed. The specifications for the rehabilitation programme should be drawn up by the Environmental Consultants appointed to manage the EIA. • The implementation of the Rehabilitation Programme should be monitored by the ECO.
Residual impacts: If damage to and or loss of productive land is not avoided and or minimised can impact on viability of farming operations and livelihoods.

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.4 OPERATIONAL PHASE SOCIAL IMPACTS

The following key social issues are of relevance to the operational phase:

Potential positive impacts
- The establishment of infrastructure to improve energy security and support renewable sector.
- Creation of employment opportunities.
- Benefits associated with the establishment of a Community Trust.
- Benefits to the affected landowners.

Potential negative impacts
- Visual impacts and associated impacts on sense of place.
- Impact on property values.
- Impact on tourism.

4.4.1 Improve energy security and support the renewable energy sector

The primary goal of the proposed project is to improve energy security in South Africa by generating additional energy. The proposed WEF also reduces the carbon footprint associated with energy generation. The project should therefore be viewed within the context of the South Africa's current reliance on coal powered energy to meet the majority of its energy needs, and secondly, within the context of the success of the REIPPPP.

Improved energy security
South Africa's energy crisis, which started in 2007 and is ongoing, has resulted in widespread rolling blackouts (referred to as load shedding) due to supply shortfalls. The load shedding has had a significant impact on all sectors of the economy and on investor confidence. The mining and manufacturing sector have been severely impacted and will continue to be impacted until such time as there is a reliable supply to energy. The Minister of Mineral Resources and Energy, Gwede Mantashe, indicated in February 2023 that the cost of load shedding was estimated at R1 billion a day [18]. The South African Reserve Bank indicated in February 2023 that stage 3 and stage 6 loadshedding cost the South African economy between R204 million and R899 million a day.[19]

[18] https://www.citizen.co.za/news/load-shedding-cost-economy-billion/
[19] https://businesstech.co.za/news/energy/662515/stage-6-load-shedding-costs-south-africa-r900-million-a-day-sarb/

A survey of 3 984 small business owners in 2019 found that 44% said that they had been severely affected by load shedding with 85% stating that it had reduced their revenue, with 40% of small businesses losing 20% or more or revenue during due to load shedding period[20].

Impact of a coal powered economy

The Green Jobs study (2011) notes that South Africa has one of the most carbon-intensive economies in the world, thus making the greening of the electricity mix a national imperative. The study notes that renewable energy provides an ideal means for reaching emission reduction targets in a relatively easy manner. In addition, and of specific relevance to South Africa renewable energy is not as dependent on water compared to the massive water requirements of conventional power stations, has a limited footprint, and therefore does not impact on large tracts of land, poses limited pollution and health risks, specifically when compared to coal and nuclear energy plants.

The Greenpeace Report (powering the future: Renewable Energy Roll-out in South Africa, 2013), also notes that within a broader context of climate change, coal energy does not only have environmental impacts, it also has socio-economic impacts. These include acid mine drainage from abandoned mines in South Africa and the risk this poses on the country's limited water resources.

Benefits associated with REIPPPP

The overview of the IPPPP (December 2021) indicates that the REIPPPP has attracted R42 billion in foreign investment and financing in the seven bid windows (BW1 – BW4). This is almost double the inward FDI attracted into South Africa during 2015 (R22.6 billion). In terms of local equity shareholding, 52% (R31.4 billion) of the total equity shareholding (R61 billion) was held by South African's across BW1 to BW4, 1S2 and 1S2. This equates to substantially more than the 40% requirement. Foreign equity amounts to R 29.5 billion and contributes 49% to total equity. As far as Broad Based Black Economic Empowerment is concerned, Black South Africans own, on average, 34% of projects that have reached financial close, which is higher than the 30% target.

On average, black local communities own 9% of projects that have reached financial close. This is well above the 5% target. In addition, an average of 21% shareholding by black people in engineering, procurement, and construction (EPC) contractors has been attained for projects that have reached financial closure. This is higher than 20% target. The shareholding by black people in operating companies of IPPs has averaged 30% (against the targeted 20%) for the 85 projects in operation (i.e. in BW1–4). The target for shareholding by black people in top management has been set at 40%, with an average 68% achieved to date. The target has therefore been significantly exceeded.

The total projected procurement spend for BW1-BW4 during the construction phase was R71.1 billion, while the proposed operations procurement spend over 20 years operational life is estimated at 75.2 billion. The combined (construction and operations) procurement value is projected as R146.3 billion, of which R92.1 billion has been spent to date. For construction, of the R71.1 billion already spent to date, R71 billion is from the 85 projects which have already been completed. These 85 projects

[20] "How does load shedding affect small business in SA?". The Yoco Small Business Pulse (3: Q1 2019):

had planned to spend R64.2 billion. The actual procurement construction costs have therefore exceeded the planned costs by 11% for completed projects.

Of the R76 billion spent on procurement during construction, R64.3 billion has reportedly been procured from BBBEE suppliers, achieving 84.6% of total procured. Actual BBBEE spend during construction for BW1 and BW2 alone was R25.5 billion, 81% more than the R14.1 billion planned by IPPs. The R64.3 billion spent on BBBEE during construction is 30% more than the R49.7 billion that had originally been anticipated by all IPPs.

Total procurement spend by IPPs from Qualifying Small Enterprises (QSE) and Exempted Micro Enterprises (EME) has amounted to R28.1 billion (construction and operations) to date, which exceeds commitments by 250% and is 30% of total procurement spend to date (while the required target is 10%). QSE and EME's procurement spend for construction was R 23.8 billion, which is 5.4 times the targeted spend for construction of R4.9 billion during this procurement phase.

In terms of procurement from women-owned vendors to date, 5% of total construction procurement spend has been from woman-owned vendors (against a targeted 5%), and 6% of operational procurement spend has been realised from woman-owned vendors to date, thereby exceeding the targeted 5%. In terms of construction spend, R 4.1 billion was undertaken by women-owned vendors, which is almost double the R 1.8 billion estimated for the construction of projects that have reached financial close.

In terms of employment, to date, a total of 63 291 job years[21] have been created for South African citizens, of which 48 110 job years were in construction and 15 182 in operations. By the end of December 2021, 85 projects had been completed and moved in to operation. These projects created 44 172 job years of employment, compared to the anticipated 30 488. This represented 45% more than planned. The REIPPPP has therefore created significant employment opportunities for black South African citizens and local communities beyond planned targets. This highlights the importance of the programme in terms of employment equity and the creation of more equal societies.

These job years should rise further past the planned target as more projects enter the construction phase. The REIPPPP has also ensured that black people in local communities have ownership in the IPP projects that operate in or nearby their vicinities. The establishment of renewable energy facilities therefore not only address environmental issues associated with climate change and consumption of scarce water resources, but also create significant socio-economic opportunities and benefits, specifically for historically disadvantaged, rural communities.

[21] The equivalent of a full-time employment opportunity for one person for one year

Table 4.8: Develop infrastructure to generate renewable energy

Nature: Development of infrastructure to improve energy security and support renewable sector		
	Without Mitigation	**With Mitigation**
Extent	Local, Regional and National (4)	Local, Regional and National (4)
Duration	Long term (4)	Long term (4)
Magnitude	High (4)	High (4)
Reversibility	N/A	N/A
Probability	Highly Probable (4)	Definite (5)
Significance	Moderate (48)	High (60)
Status	Negative	Positive
Can impact be enhanced?	Yes	
Enhancement: • Implement a skills development and training programme aimed at maximizing the number of employment opportunities for local community members. • Maximise opportunities for local content, procurement, and community shareholding.		
Residual impacts: Overall reduction in CO_2 emission, reduction in water consumption for energy generation, contribution to the development of the renewable energy sector in South Africa and benefit for economic development and investment.		

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.4.2 Creation of employment opportunities

The proposed development will create in the region of 50-60 full time employment opportunities during the operational phase, of which 70% will be unskilled, 25% semi-skilled 25%, and 5% skilled 5%. Based on similar projects the annual operating budget will be in the region of R 8 million (2023 Rand values), including wages.

Table 4.9: Assessment of employment and business creation opportunities

Nature: Creation of employment, skills development and business opportunities associated with the operational phase		
	Without Mitigation	**With Enhancement**
Extent	Local and Regional (1)	Local and Regional (2)
Duration	Long term (4)	Long term (4)
Magnitude	Low (2)	Medium (3)
Reversibility	N/A	N/A
Probability	Low Probability (2)	Highly Probable (4)
Significance	Low (14)	Moderate (36)
Status	Positive	Positive
Can impact be enhanced?	Yes	

Enhancement: The enhancement measures listed in Section 4.3.1, i.e., to enhance local employment and business opportunities during the construction phase, also apply to the operational phase. In addition, the proponent should investigate providing training and skills development to enable locally based service providers to provide the required services for the operational phase.
Residual impacts: Creation of permanent employment and skills and development opportunities for members from the local community and creation of additional business and economic opportunities in the area.

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.4.3 Benefits associated with local economic development initiatives

An important focus of the REIPPPP is to ensure that the build programme secures sustainable value for the country and enables local communities to benefit directly from the investments attracted into the area. In this regard IPPs are required to contribute a percentage of projected revenues accrued over the 20-year project operational life toward Socio-economic Development (SED) initiatives. These contributions are linked to Community Trusts and accrue over the 20-year project operation life and are used to invest in housing and infrastructure as well as healthcare, education, and skills development.

Community Trusts provide an opportunity to generate a steady revenue stream that is guaranteed for a 20-year period. This revenue can be used to fund development initiatives in the area and support the local community. The long-term duration of the revenue stream also allows local municipalities and communities to undertake long term planning for the area. The revenue from the proposed WEF can be used to support a number of social and economic initiatives in the area, including:

- Creation of jobs.
- Education.
- Support for and provision of basic services.
- School feeding schemes.
- Training and skills development.
- Support for SMME's.

The minimum compliance threshold for SED contributions is 1% of the revenue with 1.5% the targeted level over the 20-year project operational life. For the current portfolio of projects, the average commitment level is 2%, which is 101% higher than the minimum threshold level. To date (across BW1-4) a total contribution of R22.8 billion has been committed to SED initiatives. Assuming an even, annual revenue spread, the average contribution per year would be R1.1 billion. Of the total commitment, R18.5 billion is specifically allocated for local communities where the IPPs operate. With every new IPP on the grid, revenues and the respective SED contributions will increase.

As a percentage of revenue, SED obligations become effective only when operations commence, and revenue is generated. Of the 91 IPPs that have reached financial close (BW1–BW41), 85 are operational. The SED contributions associated with these 85 projects has amounted to R 1.8 billion to date.

In terms of ED and SED spend, education, social welfare, and health care initiatives have a SED focus. SED spend on education has been almost double the expenditure on enterprise development. In this regard IPPs have supported 1 388 education institutions with a total of R437 million in contributions, from 2015 to the end of June 2021. A total of 1 276 bursaries, amounting to R210.8 million, have been awarded by 67 IPPs from 2015 until the end of June 2021. The largest portion of the bursaries were awarded to African and Coloured students (97.4%), with women and girls receiving 56.3% of total bursaries. The Northern Cape province benefitted most from the bursaries awarded, with 57.2%, followed by the Eastern Cape (20.2%) and Western Cape (14.1%). Enterprise development and social welfare are the focus areas that have received the second highest share of the contributions to date.

The Green Jobs study (2011) found that the case for renewable energy is enhanced by the positive effect on rural or regional development. Renewable energy facilities located in rural areas create an opportunity to benefit the local and regional economy through the creation of jobs and tax revenues.

Table 4.10: Assessment of benefits associated with local economic development initiatives

Nature: Local economic development funded by revenue generated from the sale of energy. The revenue can be used to fund local community development		
	Without Mitigation	**With Enhancement**[22]
Extent	Local and Regional (2)	Local and Regional (3)
Duration	Long term (4)	Long term (4)
Magnitude	Medium (3)	High (4)
Reversibility	N/A	N/A
Probability	High Probability (4)	Definite (5)
Significance	Moderate (36)	Moderate (55)
Status	Positive	Positive
Reversibility	N/A	
Can impact be enhanced?	Yes	
Enhancement: • The ULM should liaise with the proponents of other renewable energy projects in the area to investigate economic development opportunities for the local community. • Clear criteria for identifying and funding community projects and initiatives in the area should be identified. The criteria should be aimed at maximising the benefits for the community as a whole and not individuals within the community. • Strict financial management controls, including annual audits, should be instituted to manage the funds generated for the local economic development.		
Residual impacts: Promotion of social and economic development and improvement in the overall well-being of the community.		

22 Enhancement assumes effective management of the community trust

Assessment of No-Go option
There is no impact as it maintains the current status quo. However, the potential opportunity costs in terms of the supporting the social and economic development in the area would be lost. This would also represent a negative impact.

4.4.4 Generate income for affected landowner

The proponent will enter into rental agreements with the affected landowners for the use of the land for the establishment of the proposed WEF. In terms of the rental agreement the affected landowner will be paid an annual amount dependent upon the area affected. The additional income will reduce the risk to his livelihoods posed by droughts and fluctuating market prices for farm outputs and farming inputs, such as fuel, feed etc. The additional income represents a significant benefit for the affected landowner.

Table 4.11: Assessment of benefits associated with income generated for the affected farmer(s)

Nature: The generation of additional income represents a significant benefit for the local affected farmer(s) and reduces the risks to their livelihoods posed by droughts and fluctuating market prices for sheep and farming inputs, such as feed etc.		
	Without Mitigation	**With Enhancement**
Extent	Local and Regional (1)	Local and Regional (2)
Duration	Long term (4)	Long term (4)
Magnitude	Low (2)	Medium (3)
Reversibility	N/A	N/A
Probability	Probability (3)	Definite (5)
Significance	Low (21)	Moderate (45)
Status	Positive	Positive
Can impact be enhanced?	Yes	
Enhancement: • Implement agreements with affected landowners. • The loss of high-quality agricultural land should be avoided and or minimised by careful planning in the final layout of the proposed WEF facilities. The recommendations of the agricultural / soil assessment should be implemented.		
Residual impacts: Support for local agricultural sector and farming.		

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.4.5 Visual impact and impact on sense of place

The proposed WEF has the potential to impact on the areas existing rural sense of place. The findings of the Visual Impact Assessment (VIA) (Lawson and Oberholzer, February 2023) indicate that the significance of the potential visual intrusion of tall wind turbines on the rural landscape, scenic resources, and sensitive receptors, and change in the areas character and sense of place would be high negative. Effective mitigation is not possible. The visual effect of substation and BESS on the rural landscape was rated as Moderate Negative. The visual impact significance for

navigation lights at night was rated as medium, with some potential for mitigation depending on the technology used, specifically the use of radar activated civil aviation lighting.

In conclusion the VIA notes that "it is the opinion of the Visual Specialists that while the proposed WEF could generally have a 'high' visual impact significance, the current layout has largely avoided the scenic resources and sensitive visual receptors of the area. Provided the recommended mitigation measures are implemented, the project would not present a potential fatal flaw in visual terms and could be authorised from a visual perspective. Based on the findings of the SIA none of the affected landowners raised concerns about the potential impact on the areas sense of place. In this regard the perception of what constitutes a visual impact is subjective and varies from person to person.

Table 4.12: Visual impact and impact on sense of place

Nature: Visual impact associated with the proposed facility and associated infrastructure and the potential impact on the areas rural sense of place.		
	Without Mitigation	**With Mitigation**
Extent	Regional (2)	Regional (2)
Duration	Long term (4)	Long term (4)
Magnitude	Medium (3)	Medium (3)
Reversibility	Reversible with rehabilitation (3)	Reversible with rehabilitation (3)
Probability	Highly Probable (4)	Highly Probable (4)
Significance	Moderate (48)	Moderate (48)
Status	Negative	Negative
Can impact be mitigated?	Yes	
Mitigation The recommendations contained in the VIA should also be implemented.		
Residual impacts: Potential impact on current rural sense of place.		

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.4.6 Potential impact on property values

The potential visual impacts associated with the proposed WEF have the potential to impact on property values. Based on the results of a literature review undertaken for wind farms the potential impact on property values in rural areas is likely to be limited. In this regard a study undertaken in Australia in 2016 (Urbis Pty Ltd) found that:

- Appropriately located wind farms within rural areas, removed from higher density residential areas, are unlikely to have a measurable negative impact on surrounding land values.
- There is limited available sales data to make a conclusive finding relating to value impacts on residential or lifestyle properties located close to wind farm turbines, noting that wind farms in NSW have been constructed in predominantly rural areas.

Based on the findings of the literature review the impact of the proposed WEF on property values is therefore likely to be low. This was confirmed by the findings of the SIA. None of the affected landowners raised any concerns about potential impact on property values. There also no eco-tourism or commercial hunting operations located in the vicinity of the WEF whose operations would be affected by the potential visual impact on the areas sense of place.

Table 4.13: Assessment of potential impact on property values and operations

Nature: Visual impact associated with the proposed facility and associated potential impact on property values.		
	Without Mitigation	**With Mitigation**
Extent	Local (2)	Local (1)
Duration	Long term (4)	Long term (4)
Magnitude	Low (2)	Low (2)
Reversibility	N/A	N/A
Probability	Low Probability (2)	Low Probability (2)
Significance	Low (16)	Low (14)
Status	Negative	Negative
Can impact be mitigated?	Yes	
Mitigation The recommendations contained in the VIA should also be implemented.		
Residual impacts: Potential impact on current rural sense of place and property values.		

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.4.7 Potential impact on tourism

The potential visual impacts associated with the proposed WEF have the potential to impact on tourism facilities and tourism in the area. Based on the findings of the literature review there is limited evidence to suggest that the proposed WEF would impact on the tourism in the ULM and or PKSDM. The presence of workers during the construction phase may also impact on the character of Loxton and may place pressure on local services, such as water and sewage, which in turn may impact on the experience of tourists visiting the town. This potential impact would however by confined to the construction phase (~ 18-24 months). This potential impact should however also be viewed within the context of the benefits to local hospitality sector associated with providing accommodation and meals for workers.

At a local site level there no eco-tourism or commercial operations located in the vicinity of the WEF whose operations would be affected by the potential visual impact on the areas sense of place. As indicated above, none of the affected landowners raised concerns about the potential impact on the areas sense of place. The impact at a local level will also be low.

Table 4.14: Impact on tourism in the region

Nature: Potential impact of the WEF on local tourism operations and activities.		
	Without Mitigation	**With Mitigation**
Extent	Local (2)	Local (2)
Duration	Long term (4)	Long term (4)
Magnitude	Very Low (1)	Very Low (1)
Reversibility	N/A	N/A
Probability	Low Probability (2)	Low Probability (2)
Significance	Low (14)	Low (14)
Status	Negative	Negative
Can impact be mitigated?	Yes	
Mitigation The recommendations contained in the VIA should also be implemented.		
Residual impacts: Potential impact on current rural sense of place and future tourism opportunities in the area.		

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.5 ASSESSMENT OF DECOMMISSIONING PHASE

Typically, the major social impacts associated with the decommissioning phase are linked to the loss of jobs and associated income. This has implications for the households who are directly affected, the communities within which they live, and the relevant local authorities. However, in the case of the proposed facility the decommissioning phase is likely to involve the disassembly and replacement of the existing components with more modern technology. This is likely to take place in the 20 - 25 years post commissioning. The decommissioning phase is therefore likely to create additional, construction type jobs, as opposed to the jobs losses typically associated with decommissioning. Given the relatively small number of people employed during the operational phase (~ 40 - 50), the social impacts at a community level associated with decommissioning will be limited. In addition, potential impacts associated with the decommissioning phase can be effectively managed with the implementation of a retrenchment and downscaling programme. With mitigation, the impacts are assessed to be Low (negative). Decommissioning will also create temporary employment opportunities, which would represent a positive temporary impact. The significance would be Low with enhancement due to limited opportunities and short duration.

Table 4.15: Social impacts associated with decommissioning

Nature: Social impacts associated with the decommissioning phase are linked to the loss of jobs and associated income.		
	Without Mitigation	**With Mitigation**
Extent	Local (1)	Local (1)
Duration	Short term (2)	Short term (2)
Magnitude	Medium (3)	Low (2)
Reversibility	Recoverable (3)	Recoverable (3)
Probability	Probable (3)	Probable (3)
Significance	Low (27)	Moderate (24)
Status	Negative	Negative
Can impact be enhanced?	Yes	
Mitigation: • The proponent should ensure that retrenchment packages are provided for all staff retrenched when the plant is decommissioned. • All structures and infrastructure associated with the proposed facility should be dismantled and transported off-site on decommissioning.		
Residual impacts: Loss of income and employment.		

4.6 CUMULATIVE IMPACT ON SENSE OF PLACE

The potential cumulative impacts on the areas sense of place will be largely linked to potential visual impacts. In this regard the Scottish Natural Heritage (2005) describes a range of potential cumulative landscape impacts associated with wind farms on landscapes. These issues are also likely to be relevant to solar facilities and associated infrastructure. The relevant issues identified by Scottish Natural Heritage study include:

- Combined visibility (whether two or more wind farms will be visible from one location).
- Sequential visibility (e.g. the effect of seeing two or more wind farms along a single journey, e.g. road or walking trail).
- The visual compatibility of different wind farms in the same vicinity.
- Perceived or actual change in land use across a character type or region.
- Loss of a characteristic element (e.g. viewing type or feature) across a character type caused by developments across that character type.

The guidelines also note that cumulative impacts need to be considered in relation to dynamic as well as static viewpoints. The experience of driving along a tourist road, for example, needs to be considered as a dynamic sequence of views and visual impacts, not just as the cumulative impact of several developments on one location. The viewer may only see one renewable energy facility and the associated infrastructure at a time, but if each successive stretch of the road is dominated by views of renewable energy facilities, then that can be argued to be a cumulative visual impact (National Wind Farm Development Guidelines, DRAFT - July 2010).

The VIA notes that that the proposed Hoogland North WEF, and Nuweveld WEF by Redcap fall within 35 radii of the site. Only parts of the Hoogland North WEF would potentially be seen in combination with the Loxton 2 WEF, although the nature of the topography would result in some visual screening of the various WEF turbines. The proposed WEF does form part of a suite of 3 WEF projects, namely the Loxton 1 and 3 WEFs. The potential for combined and sequential visibility does therefore exist.

The findings of the VIA (Lawson and Oberholzer, February 2023) the cumulative visual impact significance of the WEF, seen in combination with other renewable energy projects in the area has been rated as medium negative.

Table 4.16: Cumulative impacts on sense of place and the landscape

Nature: Visual impacts associated with the establishment of more than one WEF and the potential impact on the area's rural sense of place and character of the landscape.		
	Overall impact of the proposed project considered in isolation	**Cumulative impact of the project and other projects in the area**
Extent	Regional (3)	Regional (3)
Duration	Long term (4)	Long term (4)
Magnitude	Moderate (3)	Moderate (3)
Reversibility	Reversible with rehabilitation (3)	Reversible with rehabilitation (3)
Probability	Highly Probable (4)	Highly Probable (4)
Significance	Moderate (52)	Moderate (52)
Status (positive/negative)	Negative	Negative
Can impacts be mitigated?	Limited potential	
Mitigation: The recommendations contained in the VIA should be implemented		

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.7 CUMULATIVE IMPACT ON LOCAL SERVICES AND ACCOMMODATION

The establishment of a number of REFs has the potential to place pressure on local services (water, sewage etc.) and accommodation, specifically during the construction phase. The objective will be to source as many low and semi-skilled workers for the construction phase from the IYM and EMM. This will reduce the pressure on local services and accommodation and the nearby towns of Loxton, Victoria West and Carnarvon. The cumulative impact during the construction phase will depend on the timing of the construction phase for the three WEF associated with the Loxton WEF cluster. If they are constructed simultaneously this is likely to place pressure on accommodation and services in the nearby towns of Loxton, Victoria West and Carnarvon. However, if they are constructed sequentially this impact will be mitigated.

The potential impact should also be viewed within the context of the potential positive cumulative impacts for the local economy associated with the establishment of the proposed facility and associated renewable energy projects in the GML. These benefits will create opportunities for investment in the ULM, including the opportunity to up-

grade and expand existing services and the construction of new houses. Socio-economic development (SED) contributions also represent an important focus of the REIPPPP and is aimed at ensuring that the build programme secures sustainable value for the country and enables local communities to benefit directly from the investments attracted into the area. These contributions extend over the 20-25 operational life of the WEF and provide revenue that can be used by the ULM to invest in up-grading local services where required.

In should also be noted that it is the function of national, provincial, and local government to address the needs created by development and provide the required services. The additional demand for services and accommodation created by the establishment of development renewable energy projects should therefore be addressed in the Integrated Development Planning process undertaken by the ULM.

Table 4.17: Cumulative impacts on local services

Nature: The establishment of a number of renewable energy facilities and associated projects, such as the proposed WEF in the ULM, has the potential to place pressure on local services, specifically medical, education and accommodation.		
	Overall impact of the proposed project considered in isolation	**Cumulative impact of the project and other projects in the area**
Extent	Local (2)	Local and regional (3)
Duration	Short term (2)	Medium term (3)
Magnitude	Low (2)	Medium (3)
Reversibility	N/A	N/A
Probability	Low Probability (2)	Low Probability (2)
Significance	Low (12)	Low (18)
Status (positive/negative)	Negative	Negative
Can impacts be mitigated?	Yes	
Mitigation: The proponent should liaise with the ULM to address potential impacts on local services.		

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.8 CUMULATIVE IMPACT ON LOCAL ECONOMY

In addition to the potential negative impacts, the establishment of renewable energy facilities and associated infrastructure, including the proposed WEF, will also create several socio-economic opportunities for the ULM. The positive cumulative opportunities include creation of employment, skills development and training opportunities, and downstream business opportunities.

The review of the REIPPPP (December 2021) indicates that to date (across BW1-4) a total contribution of R22.8 billion has been committed to SED initiatives. Assuming an even, annual revenue spread, the average contribution per year would be R1.1 billion. Of the total commitment, R18.5 billion is specifically allocated for local communities where the IPPs operate. With every new IPP on the grid, revenues and the respective SED contributions will increase.

The potential cumulative benefits for the local and regional economy are therefore associated with both the construction and operational phase of renewable energy projects and associated infrastructure and extend over a period of 20-25 years. However, steps must be taken to maximise employment opportunities for members from the local communities in the area and support skills development and training programmes.

Table 4.18: Cumulative impacts on local economy

Nature: The establishment of a number of renewable energy facilities and associated projects, such as the proposed WEF in the ULM, will create employment, skills development and training opportunities, creation of downstream business opportunities.		
	Overall impact of the proposed project considered in isolation	**Cumulative impact of the project and other projects in the area**
Extent	Local and regional (2)	Local and regional (3)
Duration	Long term (4)	Long term (4)
Magnitude	Low (2)	High (4)
Reversibility	N/A	N/A
Probability	Highly Probable (4)	Definite (5)
Significance	Moderate (32)	Moderate (55)
Status (positive/negative)	Positive	Positive
Can impacts be enhanced?	Yes	
Enhancement: The proponent should liaise with the ULM to identify potential opportunities for the local economy and businesses.		

Assessment of No-Go option
There is no impact as it maintains the current status quo.

4.9 ASSESSMENT OF NO-DEVELOPMENT OPTION

The primary goal of the project is to assist in providing additional capacity to Eskom to assist in addressing the current energy supply constraints. The project also aims to reduce the carbon footprint associated with energy generation. As indicated above, energy supply constraints and the associated load shedding have had a significant impact on the economic development of the South African economy. South Africa also relies on coal-powered energy to meet more than 90% of its energy needs. South Africa is therefore one of the highest per capita producers of carbon emissions in the world and Eskom, as an energy utility, has been identified as the world's second largest producer carbon emissions.

The No-Development option would represent a lost opportunity for South Africa to improve energy security and supplement is current energy needs with clean, renewable energy. Given South Africa's current energy security challenges and its position as one of the highest per capita producers of carbon emissions in the world, this would represent a significant negative social cost.

Table 4.19: Assessment of no-development option

Nature: No-development option would result in the lost opportunity for South Africa to improve energy security and assist to support with the development of clean, renewable energy.		
	Without Mitigation23	**With Enhancement**24
Extent	Local-International (5)	Local-International (5)
Duration	Long term (4)	Long term (4)
Magnitude	Medium (3)	Medium (3)
Reversibility	N/A	N/A
Probability	High Probability (4)	High Probability (4)
Significance	Moderate (48)	Moderate (48)
Status	Negative	Positive
Can impact be mitigated?	Yes	
Enhancement The proposed WEF should be developed, and the mitigation and enhancement measures identified in the SIA and other specialist studies should be implemented.		
Residual impacts: Reduce carbon emissions via the use of renewable energy and associated benefits in terms of global warming and climate change.		

23 Assumes project is not developed
24 Assumes project is developed

SECTION 5: SUMMARY OF KEY FINDINGS

5.1 INTRODUCTION

Section 5 lists the key findings of the study and recommendations. These findings are based on:

- Review of project related information.
- Review of key policy and planning documents.
- Site visits to the study area for other renewable energy projects.
- Interviews with key stakeholders.
- Experience/ familiarity of the author with the area and local conditions.
- Experience with similar projects.

5.2 SUMMARY OF KEY FINDINGS

The key findings of the study are summarised under the following sections:

- Fit with policy and planning.
- Construction phase impacts.
- Operational phase impacts.
- Cumulative impacts.
- Decommissioning phase impacts.
- No-development option.

5.2.1 Policy and planning issues

The development of and investment in renewable energy is supported by the National Development Plan (NDP), New Growth Path Framework and National Infrastructure Plan, which all refer to and support renewable energy. The development of renewable energy is also supported at a provincial and local level. The development of the proposed WEF is therefore supported by key policy and planning documents.

5.2.2 Construction phase impacts

The key social impacts associated with the construction phase include:

Potential positive impacts

- Creation of employment and business opportunities, and the opportunity for skills development and on-site training.

The construction phase will extend over a period of approximately 24-30 months and create in the region of 350 employment opportunities. Members from the local communities in Loxton, Victoria West and Carnarvon would qualify for a percentage of the low skilled and semi-skilled employment opportunities and a number of skilled opportunities. The Most of these employment opportunities will accrue to Historically Disadvantaged (HD) members from the local community. Given relatively high local unemployment levels and limited job opportunities in the area, this will represent a significant, if localised, social benefit. The total wage bill will be in the region of R 150 million (2023 Rand values). A percentage of the wage bill will be spent in the local economy which will also create opportunities for local businesses in the ULM. The

capital expenditure associated with the construction phase will be approximately R 12 billion (2023 Rand value). This will create opportunities for local companies and the regional and local economy. The local service sector will also benefit from the construction phase. The potential opportunities would be linked to accommodation, catering, cleaning, transport, and security, etc. associated with the construction workers on the site.

Potential negative impacts

- Impacts associated with the presence of construction workers on local communities.
- Impacts related to the potential influx of jobseekers.
- Increased risks to livestock and farming infrastructure associated with the construction related activities and presence of construction workers on the site.
- Increased risk of grass fires associated with construction related activities.
- Nuisance impacts, such as noise, dust, and safety, associated with construction related activities and vehicles.
- Impact on productive farmland.

The findings of the SIA indicate that the significance of the potential negative impacts with mitigation will be **Low Negative**. The potential negative impacts associated with the proposed construction phase can therefore be effectively mitigated if the recommended mitigation measures are implemented. Table 5.1 summarises the significance of the impacts associated with the construction phase.

Table 5.1: Summary of social impacts during construction phase

Impact	Significance No Mitigation/Enhancement	Significance With Mitigation/Enhancement
Creation of employment and business opportunities	Moderate (+)	Moderate (+)
Presence of construction workers and potential impacts on family structures and social networks	Low (-)	Low (-)
Influx of job seekers	Low (-)	Low (-)
Safety risk, stock theft and damage to farm infrastructure associated with presence of construction workers	Moderate (-)	Low (-)
Increased risk of grass fires	Moderate (-)	Low (-)
Impact of heavy vehicles and construction activities	Moderate (-)	Low (-)
Loss of farmland	Moderate (-)	Low (-)

5.2.3 Operational phase impacts

The social impacts associated with the operational phase include:

Potential positive impacts

- Establish infrastructure to generate renewable energy.
- Creation of employment opportunities.
- Benefits associated with establishment of community trust.

- Benefits for local landowners.

The proposed project will supplement South Africa's energy and assist to improve energy security. In addition, it will also reduce the country's reliance on coal as an energy source. This represents a positive social benefit.

Potential negative impacts
- Visual impacts and associated impacts on sense of place.
- Potential impact on property values.
- Potential impact on tourism.

The findings of the SIA indicate that the significance of all the potential negative impacts with mitigation will be **Low Negative**. While the findings of the VIA indicate that the potential visual impacts will be **Moderate Negative**, none of the affected landowners identified visual as an issue. However, perception of what constitutes a visual impact is subjective and varies from person to person.

The potential negative impacts can therefore be effectively mitigated. The significance of the impacts associated with the operational phase are summarised in Table 5.2.

Table 5.2: Summary of social impacts during operational phase

Impact	Significance No Mitigation/Enhancement	Significance With Mitigation/Enhancement
Establish infrastructure to generate renewable energy	Moderate (+)	Moderate (+)
Creation of employment and business opportunities during maintenance	Low (+)	Moderate (+)
Benefits associated with the local economic development initiatives	Moderate (+)	High (+)
Benefits for landowners	Low (+)	Moderate (+)
Visual impact and impact on sense of place	Moderate-High (-)	Moderate-High (-)
Impact on property values	Low (-)	Low (-)
Impact on tourism	Low (-)	Low (-)

5.2.4 Assessment of cumulative impacts

Cumulative impact on sense of place
The establishment of the proposed WEF and the two other WEFs associated with the Loxton WEF Cluster will create the potential for combined and sequential visibility impacts. The proposed Hoogland North and Nuweveld WEF fall within 35 km radii of the site. Only parts of the Hoogland North WEF would potentially be seen in combination with the Loxton 1 WEF. The cumulative impact on the area's sense of place is rated as **Moderate Negative.**

Cumulative impact on local services and accommodation
The potential cumulative impact on local services, such as water, sewage etc, and accommodation will depend on the timing construction phases for the three Loxton WEF projects. With effective planning the significance of the potential impact was rated as **Low Negative**.

Cumulative impact on local economy
The significance of this impact with enhancement was rated as **Moderate Positive**.

5.2.5 Decommissioning phase

Given the relatively small number of people employed during the operational phase (~ 40-50), the potential negative social impact can be effectively managed with the implementation of a retrenchment and downscaling programme. With mitigation, the impacts are assessed to be Low (negative). Decommissioning will also create temporary employment opportunities. The significance was assessed to be Low (positive).

5.2.6 Assessment of no-development option

The No-Development option would represent a lost opportunity for South Africa to generate renewable energy. This would represent a significant negative social cost.

5.3 CONCLUSION AND RECOMMENDATIONS

Conclusion
The findings of the SIA study indicate that the proposed Loxton WEF 2 and associated infrastructure will create a number of social and socio-economic benefits, including creation of employment and business opportunities during both the construction and operational phase. The project will also create economic development opportunities for the local community. The enhancement measures listed in the report should be implemented in order to maximise the potential benefits. The significance of this impact is rated as **High Positive**. The proposed development also represents an investment in clean, renewable energy infrastructure, which, given the negative environmental and socio-economic impacts associated a coal-based energy economy and the challenges created by climate change, represents a significant positive social benefit for society as a whole. The Renewable Energy Independent Power Producers Procurement Programme (REIPPPP) has resulted in significant socio-economic benefits, both at a national level and at a local, community level. These benefits are linked to foreign Direct Investment, local employment and procurement and investment in local community initiatives.

The findings also indicate that the potential negative impacts associated with both the construction and operational phase are likely to be **Low Negative** with mitigation. The potential negative impacts can therefore be effectively mitigated if the recommended mitigation measures are implemented.

Statement and reasoned opinion
The establishment of the proposed Loxton WEF 2 and associated infrastructure is therefore supported by the findings of the SIA.

Recommendations
The proponent should investigate the issues raised by the owner of Saaidam 574/RE during the detailed design phase prior to construction.

ANNEXURE A

INTERVIEWS

- Human, Mr Jan (telephonic, 2023-02-23). Breipaalspoort.
- Nolte, Ms Martiné (2023-03-02). Riefontein, Rooipoort.
- Nolte, Mr Carlo (2023-03-02). Riefontein, Rooipoort.
- Van der Berg, Mr Johan (2023-03-03). Erasmuskraal.
- Van der Westhuizen, Ms Linda (2023-03-02). Jakkalsdans guest accommodation.
- Van der Westhuizen, Mr Nicola (2023-03-02). Jakkalsdans.
- Vorster, Mr Willem (2023-03-02). Aarfontein, Meltonwold.
- Viljoen, Mr Niel (2023-03-03). Saaidam.
- Wiese, Mr Jaco (2023-03-02), Biesiespoort, Taaiboschfontein.
- Williams, Mr Arnold (2023-03-02). Manager Springfontein, Rhenosterfontein.

REFERENCES

- The National Energy Act (2008).
- The White Paper on the Energy Policy of the Republic of South Africa (December 1998).
- The White Paper on Renewable Energy (November 2003).
- Integrated Resource Plan (IRP) for South Africa (2010-2030).
- The National Development Plan (2011).
- Northern Cape Provincial Growth and Development Strategy (2004-2014).
- Northern Cape Climate Change Response Strategy.
- Northern Cape Spatial Development Framework (2012).
- Northern Cape Province Green Document (2017/2018).
- Pixley ka Seme District Municipality Integrated Development Plan (2019-2020).
- Pixley ka Seme District Municipality Spatial Development Framework (2017);
- Ubuntu Local Municipality Integrated Development Plan (2019-2020).

ANNEXURE B

ASSESSMENT METHODOLOGY

The purpose of the assessment of impacts in an EIA is to evaluate the likely extent and overall significance that a potential impact may have on an identified receptor or resource. Another important aspect of the assessment of impacts is to quantify those impacts that are not scientific-based or evidence-based and include the opinions of others (i.e., the involvement and comment from I&APs).

A successful assessment of the potential significance of impacts will include the description and development of measures that will be taken to avoid, minimise or compensate for any adverse environmental impacts, to enhance positive impacts, and to report the significance of residual impacts that occur following mitigation.

A 7-step approach for the determination of significance of potential impacts was developed by Arcus to align with the requirements of Appendix 3 of the EIA Regulations, 2014 (as amended). The approach is both objective and scientific based to allow appointed specialists and EAPs to retain independence throughout the assessment process.

Arcus has adapted this 7-step approach from standard ranking metrics such as the Hacking Method, Crawford Method etc. The Arcus 7-step approach complies with the method provided in the EIA guideline document (GN 654 of 2010) and considers international EIA Regulatory reporting standards such as the newly amended European Environmental Impact Assessment (EIA) Directive (2014/52/EU).

The 7-Step approach for determining the significance of impacts pre, and post mitigation, is described below:

Step 1: Predict potential impacts by means of an appraisal of:

- Site Surveys;
- Project-related components and infrastructure;
- Activities related with the project life-cycle;
- The nature and profile of the receiving environment and potential sensitive environmental features and attributes;
- Input received during public participation from all stakeholders; and
- The relevant legal framework applicable to the proposed development.

Step 2:

Determination of whether the potential impacts identified in **Step 1** will be *direct* (caused by construction, operation, decommissioning or maintenance activities on the proposed development site or immediate surroundings of the site), *indirect* (not immediately observable or do not occur on the proposed development site or immediate surroundings of the site), *residual* (those impacts which remain after post mitigation) and *cumulative* (the combined impact of the project when considered in conjunction with similar projects in proximity).

Step 3:

Description and determination of the significance of the predicted impacts in terms of the criteria below to ensure a consistent and systematic basis for the decision-making process. Significance is numerically quantified on the basis score of the following impact parameters:

1. ***Extent*** **(E)** of the impact: The geographical extent of the impact on a given environmental receptor.
2. ***Duration*** **(D)** of the impact: The length of permanence of the impact on the environmental receptor.
3. ***Reversibility*** **(R) of the impact**: The ability of the environmental receptor to rehabilitate or restore after the activity has caused environmental change

4. ***Magnitude* (M)** of the impact: The degree of alteration of the affected environmental receptor.
5. ***Probability* (P)** of the impact: The likelihood of the impact actually occurring.

A widely accepted numerical quantification of significance is the formula:

S=(E+D+R+M)*P

Where: *Significance=(Extent+Duration+Reversibility+Magnitude) * Probability*

The following has also been considered when determining the significance of a potential impact.

1. **Nature (N)** of the impact: A description of what causes the effect, what will be affected, and how it will be affected.
2. **Status (S)** of the impact: described as either positive, negative or neutral
3. **Cumulative impacts**.
4. Inclusion of **Public comment.**

The significance of environmental impacts is determined and ranked by considering the criteria presented in **Table 1** below. All criteria are rank according to 'Very Low', 'Low', 'Moderate', 'High' and 'Very High' and are assigned scores of 1 to 5 respectively.

Table 1: Defining the significant in terms of the impact criteria.

Impact Criteria	Definition	Score	Criteria Description
Extent (E)	Site	1	Impact is on the site only
	Local	2	Impact is localized inside the activity area
	Regional	3	Impact is localized outside the activity area
	National	4	Widespread impact beyond site boundary. May be defined in various ways, e.g. cadastral, catchment, topographic
	International	5	Impact widespread far beyond site boundary. Nationally or beyond
Duration (D)	Immediate	1	On impact only
	Short term	2	Quickly reversible, less than project life. Usually up to 5 years.
	Medium term	3	Reversible over time. Usually between 5 and 15 years.
	Long term	4	Longer than 10 years. Usually for the project life.
	Permanent	5	Indefinite
Magnitude (M)	Very Low	1	No impact on processes
	Low	2	Qualitative: Minor deterioration, nuisance or irritation, minor change in species/habitat/diversity or resource, no or very little quality deterioration. Quantitative: No measurable change; Recommended level will never be exceeded.
	Moderate	3	Qualitative: Moderate deterioration, discomfort, Partial loss of habitat /biodiversity /resource or slight or alteration. Quantitative: Measurable deterioration; Recommended level will occasionally be

Impact Criteria	Definition	Score	Criteria Description
			exceeded.
	High	4	Qualitative: Substantial deterioration death, illness or injury, loss of habitat /diversity or resource, severe alteration or disturbance of important processes. Quantitative: Measurable deterioration; Recommended level will often be exceeded (e.g. pollution)
	Very High	5	Permanent cessation of processes
Reversibility (R)	Reversible	1	Recovery which does not require rehabilitation and/or mitigation.
	Recoverable	3	Recovery which does require rehabilitation and/or mitigation.
	Irreversible	5	Not possible, despite action. The impact will still persist, and no mitigation will remedy or reverse the impact.
Probability (P)	Improbable	1	Not likely at all. No known risk or vulnerability to natural or induced hazards
	Low Probability	2	Unlikely; low likelihood; Seldom; low risk or vulnerability to natural or induced hazards
	Probable	3	Possible, distinct possibility, frequent; medium risk or vulnerability to natural or induced hazards.
	Highly Probable	4	Highly likely that there will be a continuous impact. High risk or vulnerability to natural or induced hazards
	Definite	5	Definite, regardless of prevention measures.

The *significance* (s) of potential impacts identified according to the criteria above has been colour coded for the purpose of comparison. This colour coding will be used in impact tables.

Significance is deemed Negative (-)			Significance is deemed Positive (+)		
0 - 30	**31 - 60**	**61 - 100**	**0 - 30**	**31 - 60**	**61 - 100**
Low	**Moderate**	**High**	**Low**	**Moderate**	**High**

- **Step 4:** Determination of practical and reasonable mitigation measures based on specialists' inputs and field observations following the mitigation hierarchy (avoid, minimise, manage, mitigate, or rehabilitate).
- **Step 5:** Evaluation of predicted residual impacts after implementation of mitigation measures.
- **Step 6:** Determination of the significance of the impact taking into consideration the predicted residual impacts after implementation of mitigation measures.
- **Step 7:** Based on an acceptable significance of the impact, determination of the need and desirability of the proposed development and an opinion as to whether the development should proceed or not.

The Assessment of the significance of potential impacts is then populated in an Impact Summary Table.

ANNEXURE C

Tony Barbour
ENVIRONMENTAL CONSULTING AND RESEARCH

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(E-Mail) tbarbour@telkomsa.net

Tony Barbour's has 26 years' experience in the field of environmental consulting and management. His experience includes working for ten years as a consultant in the private sector followed by four years at the University of Cape Town's Environmental Evaluation Unit. He has worked as an independent consultant since 2004, with a key focus on Social Impact Assessment. His other areas of interest include Strategic Environmental Assessment and review work.

EDUCATION

- BSc (Geology and Economics) Rhodes (1984);
- B Economics (Honours) Rhodes (1985);
- MSc (Environmental Science), University of Cape Town (1992)

EMPLOYMENT RECORD

- Independent Consultant: November 2004 – current;
- University of Cape Town: August 1996-October 2004**:** Environmental Evaluation Unit (EEU), University of Cape Town. Senior Environmental Consultant and Researcher;
- Private sector: 1991-August 2000: 1991-1996**:** Ninham Shand Consulting (Now Aurecon, Cape Town). Senior Environmental Scientist; 1996-August 2000: Steffen, Robertson and Kirsten (SRK Consulting) – Associate Director, Manager Environmental Section, SRK Cape Town.

LECTURING

- University of Cape Town: Resource Economics; SEA and EIA (1991-2004);
- University of Cape Town: Social Impact Assessment (2004-current);
- Cape Technikon: Resource Economics and Waste Management (1994-1998);
- Peninsula Technikon: Resource Economics and Waste Management (1996-1998).

RELEVANT EXPERIENCE AND EXPERTISE

Tony Barbour has undertaken in the region of 260 SIA's, including SIA's for infrastructure projects, dams, pipelines, and roads. All of the SIAs include interacting with and liaising with affected communities. In addition, he is the author of the Guidelines for undertaking SIA's as part of the EIA process commissioned by the Western Cape Provincial Environmental Authorities in 2007. These guidelines have been used throughout South Africa.

Tony was also the project manager for a study commissioned in 2005 by the then South African Department of Water Affairs and Forestry for the development of a Social Assessment and Development Framework. The aim of the framework was to enable the Department of Water Affairs and Forestry to identify, assess and manage social impacts associated with large infrastructure projects, such as dams. The study also included the development of guidelines for Social Impact Assessment, Conflict Management, Relocation and Resettlement and Monitoring and Evaluation.

Countries with work experience include South Africa, Namibia, Angola, Botswana, Zambia, Lesotho, Swaziland, Ghana, Senegal, Nigeria, Mozambique, Mauritius, Kenya, Ethiopia, Oman, South Sudan, Sudan and Armenia.

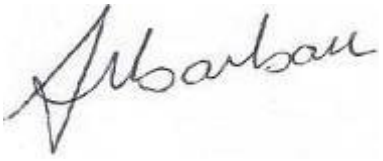
ANNEXURE D

The specialist declaration of independence in terms of the Regulations_

I, ~~Tony Barbour~~ , declare that --

General declaration:

I act as the independent specialist in this application;
I will perform the work relating to the application in an objective manner, even if this results in views and findings that are not favourable to the applicant;
I declare that there are no circumstances that may compromise my objectivity in performing such work;
I have expertise in conducting the specialist report relevant to this application, including knowledge of the Act, Regulations and any guidelines that have relevance to the proposed activity;
I will comply with the Act, Regulations and all other applicable legislation;
I have no, and will not engage in, conflicting interests in the undertaking of the activity;
I undertake to disclose to the applicant and the competent authority all material information in my possession that reasonably has or may have the potential of influencing - any decision to be taken with respect to the application by the competent authority; and - the objectivity of any report, plan or document to be prepared by myself for submission to the competent authority;
all the particulars furnished by me in this form are true and correct;
and
I realise that a false declaration is an offence in terms of regulation 48 and is punishable in terms of section 24F of the Act.



Signature of the specialist:

Tony Barbour Environmental Consulting and Research

Name of company (if applicable):

24 April 2023

Date: