

SAVE MAPUNGUBWE COALITION

MEDIA STATEMENT

6 June 2012

Johannesburg, South Africa

Feedback on progress in negotiations between the Save Mapungubwe Coalition and Coal of Africa Limited regarding the Vele colliery

1. In November 2011, the Save Mapungubwe Coalition (the Coalition)¹ commenced direct formal negotiations with Limpopo Coal Pty Ltd (Limpopo Coal) and its holding company Coal of Africa Limited (CoAL), and concluded a memorandum of understanding (MoU) on 24 November 2011.² At that time, legal proceedings by the Coalition in relation to the Vele colliery were suspended pending and conditional upon conclusion of a Memorandum of Agreement (MoA).
2. The overall aim of these negotiations, as agreed by both the Coalition and CoAL in the MoU, was to set a benchmark for best practice in relation to managing and mitigating the impacts of coal mining and related activities on the environment, specifically including the impact on water and heritage resources – not only for the Vele colliery, but for all future coal mines. This would be done through:
 - commissioning additional research of the potential impacts of mining and related activities on water and heritage resources, which had not been done prior to the licences being issued; and
 - in view of the results of this additional research, agreeing amendments to licences issued to CoAL for the Vele colliery,³ as well as timeframes for the submission of amendment applications to the Departments of Water Affairs (DWA) and Mineral Resources.Together with other key issues set out in the MoU, the outcomes of these negotiations would be recorded in the MoA.
3. During the scope of these negotiations, outstanding information has been exchanged and a number of meetings and workshops of experts advising both the Coalition and CoAL have taken place. Authorities have been notified of progress with the negotiations. The Coalition has also, at its own request, attended the meetings of the Environmental Monitoring Committee (set up to monitor compliance with some of the licences issued for the colliery) as observer only.
4. Birdlife South Africa Advocacy Manager Carolyn Ah Shene - Verdoorn noted that, throughout the process, CoAL has demonstrated its willingness to fund further studies and obtain expert advice required by the Coalition at CoAL's cost.
5. In relation to heritage impacts, the parties have agreed on best practice principles to guide heritage management at the Vele colliery. CoAL has also agreed to appoint, at its own cost, a multidisciplinary team of independent heritage experts to be approved by the Coalition that will identify improvements to the Vele colliery's licences to address heritage impacts in accordance with the best practice principles.

¹ The Coalition consists of the Endangered Wildlife Trust, BirdLife South Africa, Wilderness Foundation South Africa, World Wide Fund for Nature South Africa, Mapungubwe Action Group and the Association of Southern African Professional Archaeologists.

² Copy available at <https://www.ewt.org.za/WHATWEDO/SaveMapungubwe.aspx>

³ In particular, the environmental management programme (EMPR) approved by the Department of Mineral Resources and the integrated water use licence (IWUL) authorised by the Department of Water Affairs.

6. In relation to water impacts, a number of key issues remain outstanding before appropriate licence conditions can be recommended, including agreement on an accurate site water balance for the Vele colliery, as well as a revision of the groundwater model prepared for the Vele colliery. In addition, the DWA needs to complete the outstanding verification of existing water uses in the catchment in which the Vele colliery falls.
7. Furthermore, a draft report by an independent wetland and riparian expert commissioned by CoAL has identified additional water use activities that were not included in the integrated water use licence issued for the Vele colliery, as well as detrimental impacts on water resources as a result of current mining operations. Pursuant to a meeting with the Coalition earlier this week, CoAL has undertaken to approach the DWA for guidance on obtaining the outstanding authorisation for such activities and addressing the detrimental impacts as a matter of urgency. The parties have agreed that the final expert report will be made available publicly. WWF Freshwater Programme Manager Christine Colvin noted that the Coalition will closely be monitoring further steps taken by both CoAL and DWA in response to the findings of this report.
8. Endangered Wildlife Trust CEO Yolán Friedmann noted that the negotiations towards a MoA have taken longer than both parties had hoped. "This is due to the significant amount of outstanding information and additional research that has had to be conducted in order to inform amendments to licence conditions that address water and heritage impacts more adequately, and that comply with best practice."
9. Engagement between the Coalition and CoAL continues towards this goal, and the parties hope to conclude an MoA by 22 June 2012.
10. As provided for in the MoU, pending legal proceedings remain suspended until the terms of the MoA have been agreed between the parties.
11. Mapungubwe Action Group Chair Nick Hiltermann noted that the Coalition and other affected parties have not been privy to the negotiations between the Department of Environmental Affairs, SANParks and CoAL regarding the offset agreement to be concluded for the Vele colliery.⁴ "Given the national importance of this particular site, interested and affected parties should be given an opportunity to comment on the proposed offsets that are supposed to compensate South Africans for the impacts of the Vele colliery." Public consultation on the establishment of the buffer zone to be established around the Mapungubwe World Heritage Site also remains outstanding.

⁴ This offset agreement must be concluded in accordance with the environmental authorisation issued to CoAL by the Department of Environmental Affairs in 2011.