COMMITTED TO SUSTAINABLE DEVELOPMENT IN LOCAL COMMUNITIES
NO BUSINESS OPERATES IN ISOLATION

We understand that creating a healthy and sustainable business is directly linked to our willingness to forge close relationships with those who affect or are affected by our business – especially the communities which host our operations.

Through the Richard Bay Minerals Business Development Centre we focus on creating and developing commercially viable and sustainable small, medium and micro enterprises.
A COMMITMENT TO SUSTAINABLE DEVELOPMENT IN LOCAL COMMUNITIES

BUILDING BRIDGES WITH COMMUNITIES

No business operates in isolation. The ability of Richards Bay Minerals (RBM) to create a healthy and sustainable business is inextricably linked to our willingness to forge close relationships with those who affect or are affected by our business (especially the communities which host our operations). Continuously maintaining and improving these relationships is both a priority and a challenge, as RBM has learnt in recent years.

The obligation for RBM to empower host communities through procurement opportunities as well as recruitment is defined in South Africa’s Mining Charter, but it is also a fundamental business principle of our 74% shareholder, global mining group, Rio Tinto.

The development of local suppliers and host community enterprises is one of the most effective means of ensuring that the benefits of our mining activities are directed to our host communities and will contribute to their sustainability beyond the life of our operations.

BDC IS THE HUB THAT WILL HOUSE AND MANAGE RBM’S ENTERPRISE INITIATIVES

RBM has enhanced and formalised its supplier and enterprise development initiatives with the aim of creating and developing commercially viable and sustainable small, medium and micro enterprises (SMMEs) from its four host communities, Mbonambi, Mkhwanazi, Sokhulu and Dube. RBM’s Business Development Centre (BDC) is the hub where these initiatives are housed and managed.

From its main office at the RBM office block and the two proposed satellite offices in the communities, the BDC is responsible for the registration and validation of local enterprises on a community enterprise portal called LocalWise©. Once validated, the enterprises are profiled on the master database and management system called Abacus©, enabling them to be graded and considered for development and procurement opportunities offered by the company.

BUSINESS SUPPORT SERVICES FOR COMMUNITY ENTREPRISES

The BDC also provides a range of business support services to host community enterprises, including internet access and the creation of online profiles; analyses of business development needs; assessments of enterprise competencies and capabilities; business advice; and assistance with the completion of documents, amongst others.

One of the primary reasons that host community enterprises are often not successful in securing procurement opportunities is a lack of technical skills and a gap between the standards that are required as minimum by RBM, especially in the areas of health, safety and quality, and compliance with the stringent environmental standards.

In partnership with the Centre for Supplier Development, the BDC is currently managing and implementing four key programmes which are intended to assist, nurture, incubate, build capacity and fast-track the development of host community enterprises.
KEY PROGRAMMES
The BDC is currently managing and implementing four key programmes which are intended to assist, nurture, incubate, build capacity and fast-track the development of host community enterprises.

SAKHISIZWE SUPPLIER DEVELOPMENT PROGRAMME
This programme focuses on developing existing businesses that are already trading outside RBM, to raise their standards, quality and practices to meet the minimum requirements at RBM.

The 30 participants in this two-year programme are assessed, trained according to their developmental needs, mentored and ultimately matched to supply chain opportunities within RBM. The assessments of these host community enterprises are done using a tool which measures the performance of each entity against three pillars of excellence: business excellence, technical excellence and compliance excellence.

The scores will determine the level of intervention required and will shape the development path for each individual business. There are a number of host community enterprises in this programme that have already started trading with RBM.
SAKHISIZWE ENTERPRISE

DEVELOPMENT PROGRAMME

This programme focuses on providing formal business training, in partnership with recognised training partners Monash University and the University of Zululand, to companies or individuals who are just starting out, with the key objective being to create and formalise sustainable host community enterprises.

The 30 participants are currently being trained, coached and mentored to the point where they can develop viable business plans and will then be assisted with implementation thereof.

These host community enterprises do not necessarily have to provide a service to RBM but they have to operate in the host communities.
ZULTI SOUTH CAPACITY BUILDING PROGRAMME

RBM has embarked on a new mining project, known as Zulti South, which will considerably extend the life of the company’s mining operations. A key consideration of the Zulti South Project is to ensure that there is direct benefit to the host communities.

The Zulti South Capacity Building Programme focuses on managing access of host community enterprises to opportunities that have been ring-fenced or set aside within the bigger project, both during the construction and operational phases.

This will be done through training, mentoring and identifying the relevant opportunities. Currently 44 enterprises have been identified as having potential to participate in this programme but this number will grow as more operating host community enterprises become capacitated to the point where they are able to be matched with opportunities during the construction phase of the project.
INCOME GENERATING LED PROGRAMME

This programme focuses on income generation projects, requested either by host community groups or host community enterprises. These projects will be assessed for viability, capacity, capability and sustainability by the BDC, who will also assist in developing the requisite business skills, while RBM will grant start-up funding. A key consideration for the choice and selection of LED projects is that they have to provide shared value for all parties involved i.e. the host community enterprise, RBM and the community at large.

STAKEHOLDER ENGAGEMENT

Through the BDC, RBM also engages a range of stakeholders and business linkages, who provide value added services such as banks and other financial institutions, as well as the relevant government departments.

The Sakhisizwe Supplier and Enterprise Development Programmes are managed and implemented by the Centre for Supplier Development, a 100% black-owned and managed enterprise.
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