

Appendix B3 MINUTES OF MEETINGS WITH AUTHORITIES

ENVIRONMENTAL IMPACT ASSESSMENT
FOR THE
PROPOSED PHASE 2 EXPANSION OF THE TRANSNET IRON ORE HANDLING FACILITY, SALDANHA

**NOTES OF ISSUES RAISED DURING AUTHORITY FOCUS GROUP MEETING
24 AUGUST 2006**

<u>Breakwater Lodge, Cape Town, 10h00 – 13h00</u>	
Attendance:	
Name	Organisation
Kooben Samie	Department of Environmental Affairs & Tourism (DEAT)
Paul Hardcastle	Department of Environmental Affairs & Development Planning (DEA&DP)
Ayanda Matoti	Department of Environmental Affairs & Development Planning (DEA&DP)
Wally Silbernagl	Department of Transport & Public Works: Roads Infrastructure
Dru Martheze	Department of Transport & Public Works: Roads Infrastructure
Keresha Naidoo	Stewart Scott International
Piet Fabricius	West Coast District Municipality
Verna Bowie	CapeNature
Christabel Geland	CapeNature
Max Clark	TPHMG
Peter Silbernagl	PDNA/SRK JV
Dave Rudolph	PDNA/SRK JV
Paul de Ruyter	PDNA/SRK JV
Danéille Fourie	PDNA/SRK JV
Proceedings:	
<p>Paul de Ruyter of the PDNA/SRK JV presented background information about the proposed Phase 2 Expansion of the Transnet Iron Ore Handling Facilities, Saldanha and the proposed Environmental Impact Assessment (EIA) process (as contained in the Background Information Document). The presentation was followed by questions and an open floor discussion.</p>	
Discussions:	
Question / Comment:	Response / Discussion:
Mr W Silbernagl: What do the differences between the NEMA and ECA EIA Regulations mean for the project?	Mr Hardcastle: Even though the EIA will be conducted in terms of the ECA EIA Regulations, the process followed must cover all of the issues that would have been covered by a NEMA EIA process (e.g. cumulative impacts, need and desirability of the project, etc.). This also means that the Final EIR will have to be released for public scrutiny.

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<p>Mr Matoti: What is the procedure if the project entails activities that are listed in NEMA but not in ECA?</p>	<p>Mr Hardcastle: The EIA process must assess all activities listed in NEMA, even though the activities cannot be authorised in terms of ECA.</p> <p>Mr Samie: Actually, such activities should be applied for in terms of NEMA and a recommendation had been made that Transnet withdraw the ECA application to resubmit in terms of NEMA. The onus is on Transnet, however.</p> <p>A gentleman's agreement was made that the process will be conducted and authorisation granted in terms of ECA, as long as all activities and issues in terms of NEMA are assessed.</p>
<p>Mr Matoti: What would the process be if new listed activities are identified during the process (e.g. saltwater desalinisation, groundwater extraction, etc.)?</p> <p>Mr de Ruyter: What would the consequences of this be for public consultation?</p> <p>Mr Clark: What is the latest point in the EIA process that such information could be released in the public domain?</p>	<p>Mr Hardcastle: Transitional arrangements allow for holistic assessment of issues. These activities must be disclosed to the public as soon as possible.</p> <p>Mr Samie: DEAT is not amenable to adding new activities later in the process; it should be done early on so that everyone has all the information at the start of the process.</p> <p>Mr Fabricius: IAPs cannot identify and/or comment on potential impacts if they do not have all relevant information.</p> <p>Mr Hardcastle: All activities should be scoped.</p> <p>Mr Rudolph: An EIA is an iterative process so it is possible that new issues could even come up during specialist studies. But, all information should go to the public at the start of the process (before scoping is finalised).</p>
<p>Ms Martheze: Who is driving this expansion project? Is it Transnet, NPA, the Department of Transport?</p>	<p>Mr Clark: The applicant is Transnet. NPA is a business unit of Transnet.</p>
<p>Mr Samie: It is recommended that several options as source of water for dust mitigation is investigated and included in the EIA process, regardless of whether it is a NEMA or ECA process.</p> <p>Mr Clark: Our understanding was that this is a process separate from the EIA.</p>	<p>Mr Hardcastle: The impacts must be assessed and conditions set for the activities, regardless of the process.</p> <p>Mr Samie: Options should be included in the EIA so that the most environmental acceptable option can be identified.</p> <p>Mr P. Silbernagl: Discussions with DWAF on this issue are ongoing.</p> <p>Mr Hardcastle: This is also a strategic issue as the Langebaan aquifer was over-estimated – it must be included in the EIA.</p>

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<p>Mr Hardcastle: The incremental way in which the upgrade has been done and decision taken, e.g. new specialist studies are started before decisions are made, have led to confusion. It must be made very clear how the different EIA ROD conditions are implemented for each upgrade, especially wrt key issues such as dust. Information provided must show what was done, what the results were and what the actual impacts are. Immediate action is needed on what was assessed previously and the previous ROD conditions before the next EIA is finalised.</p>	<p>Mr Clark: The concerns are understood and attempts are being made to address them by combining future upgrades into the Phase 2 EIA. The problem is that it will take many years before the Phase 1 and Phase 1B mitigation measures can be effectively implemented. The CSIR has been appointed to study dust issues and to identify mitigation measures that will be effective for 93 MTPA, while keeping best practice in mind. Current monitoring taking place measures ambient dust; we are now looking at measuring iron ore dust and the origin of the iron ore dust. Dust levels are within health limits but not nuisance levels.</p> <p>Mr Hardcastle: "Best practice" should be considered in the environmental and social context of the port. Ambient levels are correct for assessing impacts on people. Industry must work together in a specific area as sources of dust are difficult to pinpoint.</p>
<p>Mr Matoti: Will the CSIR study include dust fallout areas?</p>	<p>Mr Clark: Yes, dust fall out measurements using bucket traps will be used to analyse dust and iron ore dust levels.</p>
<p>Mr Fabricius: What about direct loading, which would negate the need for additional stockpiling areas.</p>	<p>Mr Clark: Engineers are considering this in their investigations into the rail upgrade. An issue to consider is ore quality; stockpiling is done by iron ore grade so that mixtures can be made according to client requirements.</p> <p>Mr Hardcastle: This issue was also raised in the Phase 1 EIA and it was found to not be financially feasible. However, all alternatives need to be considered in the Phase 2 EIA as financial feasibility should be less of an issue now.</p> <p>Mr Matoti: Can direct loading not be considered as the No-go option?</p> <p>Mr Samie: Not really, the No-go option would be not upgrading the facility at all.</p>
<p>Ms Martheze: What would the impact be on the West Coast District Municipality IDP and on tourism, which is the main focus of the IDP? It seems that the port's initiatives are not being drawn into the IDP.</p>	<p>Mr de Ruyter: The current lack of integration between the Municipality and NPA planning is being addressed. Some of the potential impacts on tourism (i.e. dust, visual, etc.) will be addressed in the EIA.</p> <p>Mr Fabricius: The port must work more closely with the local municipality's planning department.</p>
<p>Mr Fabricius: The Port Master Plan shows significant expansion into the bay. If Alternative Layout 2 is selected, the plan would have to be amended. We are concerned that the selection of alternatives will be driven by the Port's Master Plan and that the environment will lose out.</p>	<p>Mr de Ruyter: The EIA, which will identify the best alternative, will override whatever is proposed in the Master Plan.</p> <p>Mr Clark: The dune option was brought onto the table later on in the process and is not reflected in the Port Master Plan. The port is also considering a Biodiversity Offset to conserve the Spreeuwalle area between the terminal and Paradise Beach.</p>

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<p>Mr Samie: If the offset is accepted, how will it be enforced? Will Transnet keep ownership of the land? How will the land be secured for conservation?</p>	<p>Mr Hardcastle: DEA&DP is in the process of compiling guidelines for Biodiversity Offsets and these need to be taken into account. Offsets are last resort mitigation measures and should be done in the right context.</p> <p>Ms Bowie: CapeNature suggests that offsets are investigated as there will be ecological impacts regardless of which alternative is chosen.</p> <p>Mr Hardcastle: Offsets cannot mitigate unacceptable impacts.</p> <p>Mr Samie: The process must exhaust all other alternatives before offsets are proposed.</p> <p>Mr Harcastle: This discussion is premature; the process should bear offset in mind, but must not focus on it as an "end-prize". The process must go through the appropriate steps.</p>
<p>Ms Bowie: What does the application for the rail upgrade entail?</p>	<p>Mr Clark: This entails the upgrade of the railway line capacity, which is needed to feed the stockpiles for a 93 MTPA throughput. The rail upgrade will entail extended rail loops. Different consultants will undertake the rail upgrade EIA, but the two processes must feed into each other.</p>
<p>Ms Bowie: It is difficult for IAPs to comment on processes in isolation. Also, it is impossible to comment appropriately outside of the context of the Port's Master Plan.</p>	<p>Mr de Ruyter: The Port's Master Plan is not an EIA application, but rather a strategic long-term planning exercise.</p> <p>Mr Hardcastle: The key issue here is to determine how the Port's Master Plan affected the iron ore alternatives.</p> <p>Mr Clark: NPA is apparently planning to conduct a Strategic Environmental Assessment for the Master Plan.</p> <p>Ms Bowie: The Master Plan must be available so that people can comment on the iron ore upgrade in the context of the port's forward planning.</p> <p>Mr Hardcastle: The opportunity costs of the proposed Phase 2 upgrade need to be looked at in terms of the Master Plan.</p> <p>Mr Clark: We will speak to NPA about releasing the Master Plan for public scrutiny.</p>
<p>Mr Samie: We need an undertaking from Transnet that the Master Plan will be included in the Scoping Report.</p>	<p>Mr Clark: Because the Master Plan is conceptual and contentious, we are concerned that this would move the focus away from Phase 2 upgrade issues. We cannot assess the Master Plan at this stage as not enough detail is available. It may never even happen.</p> <p>Mr Hardcastle: The issue here is opportunity costs in terms of the Master Plan.</p> <p>Mr Samie: It is up to the consultants whether the information should be released to the public, but it should definitely go to the authorities.</p> <p>Mr de Ruyter: Perhaps the Master Plan can be released to the public as part of a separate public relations exercise by Transnet.</p>
<p>Ms Martheze: Since the rail is to be covered by a separate application, what about the Salkor yard and shunting between Salkor and the terminal?</p>	<p>Mr de Ruyter: Upgrades to the Salkor yard will be included in this EIA. The railway upgrade EIA will include everything from the Salkor yard to Sishen.</p>

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<p>Ms Martheze: NEMA is good for the assessment of cumulative impacts.</p>	<p>Mr Samie: It is important to include previous applications in the scope of the Phase 2 EIA to ensure that cumulative issues are addressed.</p> <p>Mr Hardcastle: You also need to ensure that the different specialists talk to each other!</p>
<p>Mr W. Silbernagl: There is a road proposed between Saldanha and Langebaan. Construction is planned for next year. It is important to know what the Phase 2 requirements are now. A local concern is that the new road will be used by heavy vehicles as a shortcut to Cape Town, but the intention is to make it a tourist route. Provision must therefore be made for industry.</p>	<p>Mr Clark: The port's engineers will contact the provincial roads department on this issue.</p> <p>Mr de Ruyter: Local municipal planning should also be involved.</p> <p>Mr Hardcastle: An issue for consideration is increased transport to the port and the opportunity costs of the different alternatives.</p> <p>Ms Martheze: The proposed road is included in the IDP so local municipal planning is aware of it.</p> <p>Ms Naidoo: More information is needed on the proposed upgrades to the roads and the bridge as part of Phase 2.</p>
<p>Ms Bowie: What about shipping traffic?</p> <p>Mr Hardcastle: How can Transnet be held responsible for shipping impacts at the port?</p>	<p>Mr de Ruyter: The upgrade will entail larger iron ore ships and not necessarily more ships.</p> <p>Mr Clark: The harbourmaster will be, and he is an employee of Transnet.</p> <p>Ms Geland: The Port's involvement in the Globallast Programme should also be taken into consideration.</p>
<p>Ms Bowie: We require a copy of Barrie Low's report and recommendations that were made for an EIA of the previous upgrades. Apparently these were never implemented.</p>	
<p>Ms Bowie: What about the gas pipeline?</p>	<p>Mr de Ruyter: The existing oil pipeline will be incorporated into the study depending on the alternative chosen.</p>
<p>Mr Matoti: Is there a preferred engineering option?</p> <p>Mr Samie: Are all of the alternatives proposed feasible?</p>	<p>Mr Clark: The engineers are busy with a business plan which is being done in parallel with the EIA.</p> <p>Mr Samie: If all of the proposed alternatives are feasible there should be no preferred option at this stage. Consideration must be given to more than just Transnet's preference.</p> <p>Mr Hardcastle: This principle is that all alternatives must address the issues at hand.</p>
<p>Mr Samie: Will there be an increase in energy requirements?</p>	<p>Mr Clark: Yes, Phase 2 would require new substations. This will be addressed in the Phase 2 EIA.</p> <p>Mr Samie: This information must be included in the Scoping exercise.</p>
<p>Mr Clark: A new issue has come up as part of the Phase 1B upgrade. The intention was to assemble the new stacker-reclaimers at the port, but now they are proposing to assemble them overseas before bringing them to the port. This would require a new temporary berth at the reclamation dam.</p>	<p>Mr Hardcastle: This would need a separate EIA application as the Phase 1B application cannot be amended at this stage.</p>

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<p>Mr W. Silbernagl: You must consider that transporting abnormal loads / vehicles is very difficult in the harbour area.</p> <p>Ms Martheze: You should also take note of the powerline.</p>	
<p>Mr Samie: Regarding the Scoping Process: it is important to get written comments. This is a challenge to the consultants.</p>	
<p>Mr Clark: We would like to propose setting up an authority forum that would meet regularly to ensure that the process is kept on track.</p>	<p>Mr Hardcastle: This is a difficult call as it is not possible to obtain interim "rubberstamps" for substantial issues, i.e. we cannot "sign off" on issues as we go along. But we can comment on / guide the process; the context of comments must just be made clear.</p>

Notes taken by: Dan lle Fourie, PDNA/SKR JV

**NOTES OF DISCUSSION DURING THE SITE VISIT AND APPLICATION MEETING WITH
AUTHORITIES: PHASE 2 EXPANSION**

**Port of Saldanha
Bulk Terminal Saldanha**

11h00 – 14h00, 3 May 2006

1 Attendance				
Name	Organisation	Telephone	Fax	E-mail
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A. Matoti	DEA&DP	021 483 2748	021 483 4372	amatoli@pgwc.gov.za
Xola Mkefe	SANParks (West Coast National Park)	082 661 8152	022 772 2607	xolam@sanparks.org
Andrew Woghiren	PDNA	012 349 1307 072 567 5812	012 349 1229	Andrew@sefsa.co.za
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Paul de Ruyter	SRK	021 659 3060	021 685 7105	pderuyter@srk.co.za
Introduction & Agenda				
<p>AW outlined the purpose of the meeting and site visit as follows:</p> <ul style="list-style-type: none"> • Introduction to the project team and Transnet's representatives; • An overview of Phase 2 of the expansion proposal focusing on the port side of the project only; • Site visit around the iron ore handling terminal; • General discussion on potential issues and impacts; and • EIA process to be followed. <p>The above items formed the Agenda for the visit and discussions that ensued.</p>				
Dredging Permit				
<p>Lungile Rengqe: MCM representative noted the need for NPA to apply for the relevant dredging permits. She pointed out studies on the deposition sites for dredged material must be undertaken as part of this process. Information regarding what will be done with dredging material is also</p>				

required, and that legislation applicable to dumping may also need to be considered.

There will be a need to include the identification of new dump sites for dredge spoil, especially if ongoing dredging is required. The dredging permit application will need to include analysis of sediment samples.

Potential impacts of dredging and other marine works, which are a concern to the authorities include:

- Impacts on the marine environment (erosion and water circulation) particularly along the Langebaan lagoon area;
- Impacts on the benthic environment; and
- Beach erosion currently experienced at Langebaan, which is thought to have resulted from the previous extension of the berth. Studies undertaken by the CSIR to determine the impact on the bay must be considered.

Project Alternatives

Max Clark explained the various alternatives under consideration, which relate mainly to the positioning of the additional stockpiles. He noted the advantage and opportunity of assessing the alternatives early on during the EIA and Project Design Phase, since the EIA could inform the final decision on the most sustainable alternative. There was a discussion of the various alternatives thereafter, and the question as to which was the most preferred alternative was raised by AM of (DEADP). This question is difficult to answer at this stage as detailed feasibility studies are still in progress.

The scope of the rail line was discussed in broad outlines, however it was noted that there was a proposal to conduct this study as a separate EIA due to the fact that the information available on this aspect was still limited.

However the broad alternatives are:

- Doubling of the entire railway line; and
- Extension of all the existing loops along the railway line.

It was noted that all alternatives, included in the process, need to be reasonable. A comparison of the tradeoffs between various alternatives also needs to be provided.

Questions

A number of questions raised by the authorities during discussions, for which answers need to be provided include:

- Why wasn't the extension of the berth towards the west considered as an option?
- Why was the positioning of the additional berths adjacent to the (north) stockpile area not considered as an alternative to extending the quay?
- What alternatives were considered during the Phase 1A EIA, and were these fairly similar to the alternatives currently under consideration?
- What were the sensitivities associated with the dunes, and how were the sensitivities determined? Was a specialist study undertaken for an assessment of the dunes? What is the current conservation value on the dunes? What is the size of the dune area that would be affected? The dunes have historically been regarded as sensitive. – LM noted

that the area has been considered sensitive due to its connection with the greater dune system in the area. However, no study has confirmed this.

- What is the current status of the Liquefied Natural Gas (LNG) project, especially vis-à-vis the long term planning of the port? – LM noted that it is currently not being considered as it has been indefinitely postponed, and is not considered to be an issue in terms of the port's current planning. There is more flexibility in terms of the LNG project, compared to the expansion of the terminal. The port master plan is due to be released in June 2006.
- Why are the trains not covered?
- What is the volume of dust generated per train load?

EIA process

The EIA team explained that there were essentially two components to the project: the port upgrade and the rail upgrade. A single application was submitted to the National and Provincial environmental departments on 13 March 2006 for both components. Information regarding the proposed rail upgrade is not currently available, and a discussion regarding the possibility of separating the two aspects, and undertaking separate EIA processes for these two was discussed. It was, however, made clear that without approval of both aspects, the upgrade would not go ahead.

The question was asked as to what extent the rail study could be separated from the port study. Is it possible for the study to be undertaken as separate processes? It appears this was done for the Phase 1A application. The risk of one EIA process delaying the other was discussed. DEA&DP noted that they were generally not in favour of issuing incremental authorisations. They would prefer a holistic assessment of the entire project.

DEAT indicated that they were two separate listed activities, and the authorities would not be able to dictate whether or not they are submitted as a single or separate applications. Either way would be suitable, and the applicant would need to decide, but needs to be aware of the risks.

If they are separated, ideally all should be made aware of both processes, and where possible, the same authority representatives should be involved with both applications.

MC noted that it would probably be necessary to compile a summary report that focuses on the cumulative impact of the two EIA studies, such that the authorities are in a position to assess the project on its full merits and significance.

In summary the options to be followed in the EIA process are:

1. To apply for authorisation for the rail and the port expansion separately, i.e. conducting the studies as 2 separate EIAs, with 2 RODs, etc.
2. To conduct the studies as 2 separate processes under one application.

Alternatives

MC asked whether the authorities felt there were sufficient alternatives under consideration. - The layout depends on land availability hence, the alternatives are limited. Detailed design will determine what other alternatives are open for consideration, within the main alternatives.

Public Meetings

MC asked whether the authorities were in favour of or would insist on public meetings, and what their general views in this regard were. During the discussion that followed, the following points were made:

- Transparency and fairness is important, and public meetings are a means to ensure that this is achieved;
- Participation differs from consultation. The former is more passive, while the latter gives the public an opportunity to be heard, taking their concerns/issues into account;
- The choice to use public meetings should be based on the consultant's judgement, as it depends on the scale of the project. An analysis of the targeted audience will give a better indication as to the best public involvement tool to employ;
- Public meetings or Focus Group Meetings can serve as a cushion to identify public concerns early in the process. They should aim to be interactive, rather than simply informative. It should also be noted that it is the public's right to participate in the EIA process;
- The EIA process should be open, giving everyone an opportunity to participate; and
- AW noted that an open day held prior to a public meeting has often proved very successful on other projects, and this formula could be implemented as the need arises.

Compiled by Sharon Jones, SRK Consulting, 15 May 2006