

Repositioning Community Development as Strategic Capital in the PGM Value Chain

This presentation emphasizes the necessity of transforming community development from a peripheral activity into a core strategic asset within the Platinum Group Metals (PGM) industry. By focusing on community development as a form of strategic capital, we can enhance stakeholder relationships and promote sustainable market growth. This shift recognizes that a stable and engaged community is essential for operational success and can lead to innovative opportunities in the PGM value chain.





80% of Global PGM Reserves in South Africa

The Bushveld Complex contains approximately 80% of the world's Platinum Group Metals (PGM) reserves, making South Africa a critical player in the global PGM market. This geographical concentration highlights the strategic significance of the region in the supply chain.



Challenges Faced by Local Communities

Local communities around the Bushveld Complex face high levels of unemployment, significant inequality, and inadequate service delivery. These socio-economic challenges lead to widespread discontent and demand for effective solutions.



Ongoing Unrest Amidst Investment

Despite billions invested in community development initiatives by mining companies, issues such as labor unrest and community dissatisfaction persist. This indicates a disconnect between community needs and the development programs implemented.



The PGM Industry Context

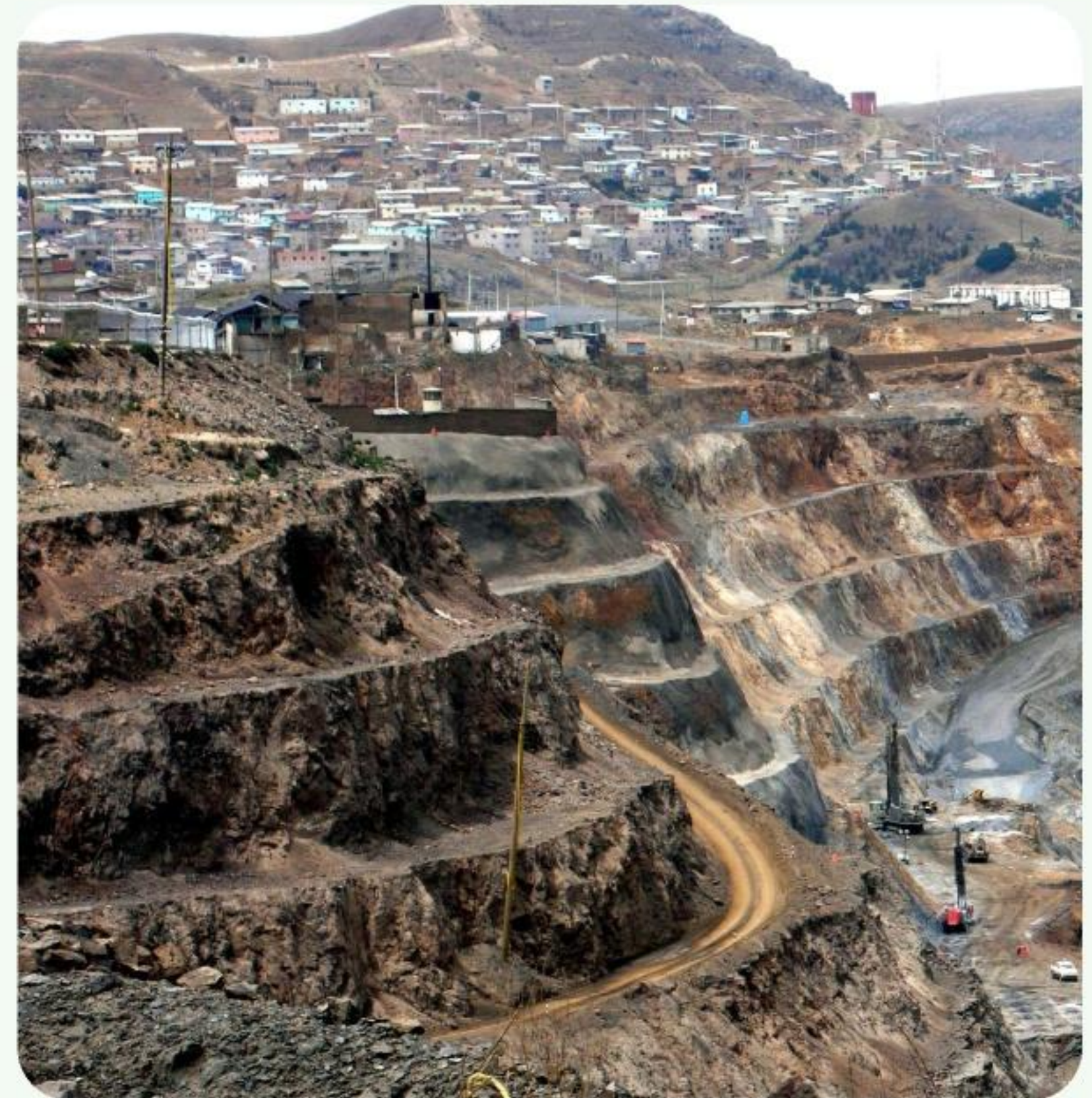
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Traditional Community Development

Traditional community development is primarily perceived as a means of compliance with legal requirements and philanthropic efforts. Organizations often engage in these activities to fulfill obligations rather than as a core component of their business strategy. This approach may engage communities superficially without creating significant value for either party, leading to limited engagement and trust.



Strategic Community Development

In contrast, strategic community development is characterized by its integration into the core business strategy, emphasizing measurable outcomes and mutual value creation. This approach fosters deeper relationships with stakeholders, enhances trust, and allows companies to proactively address operational risks. By leveraging community development as a strategic asset, firms can drive innovation and increase demand for Platinum Group Metals (PGMs) through initiatives that align with community needs and market trends.



Understanding Community Development (CD)

Community Development (CD) refers to the systematic and participatory engagement between mining companies and local communities. It focuses on identifying and addressing key social, economic, and environmental issues impacting these communities. The goal is to create sustainable, integrated solutions that benefit both the communities involved and the mining companies, fostering trust and collaboration.





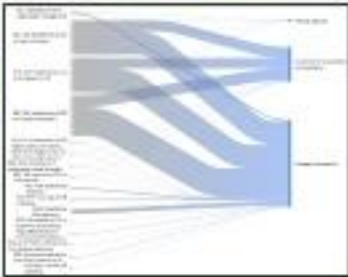
MBA Study on Community Development

An MBA study emphasizes the role of Community Development (CD) as a strategic approach to stakeholder management in the mining sector, aiming for mutual benefits.



Qualitative Case Analysis

Qualitative case analysis (QCA) provides insights into the real-world impact of Community Development initiatives on local communities and stakeholders, highlighting successes and areas for improvement.



Analytical Frameworks

Frameworks such as the Triple Bottom Line (TBL) and Stakeholder Theory (ST) are used to assess the effectiveness and sustainability of Community Development initiatives in the mining industry.



Research Foundation

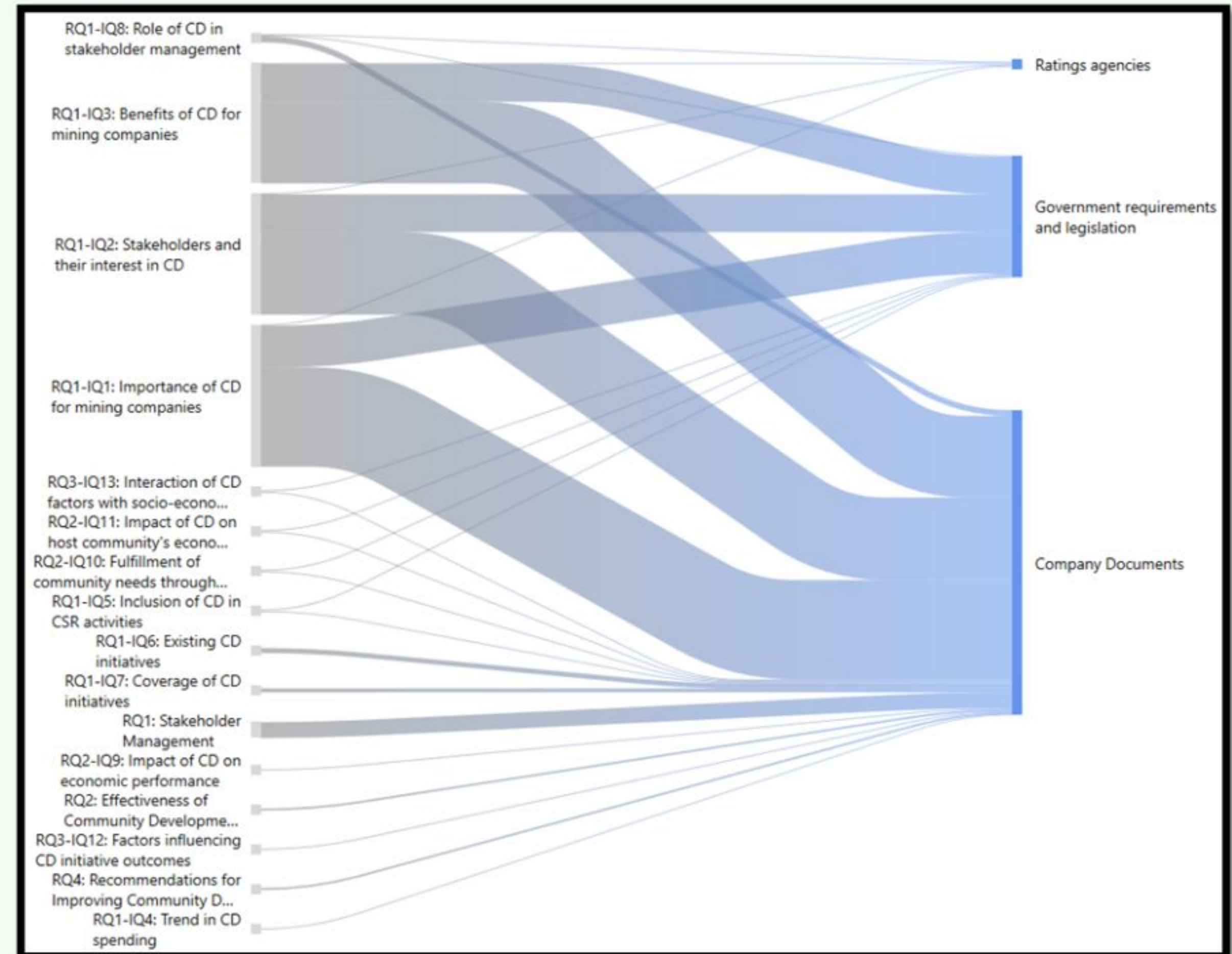
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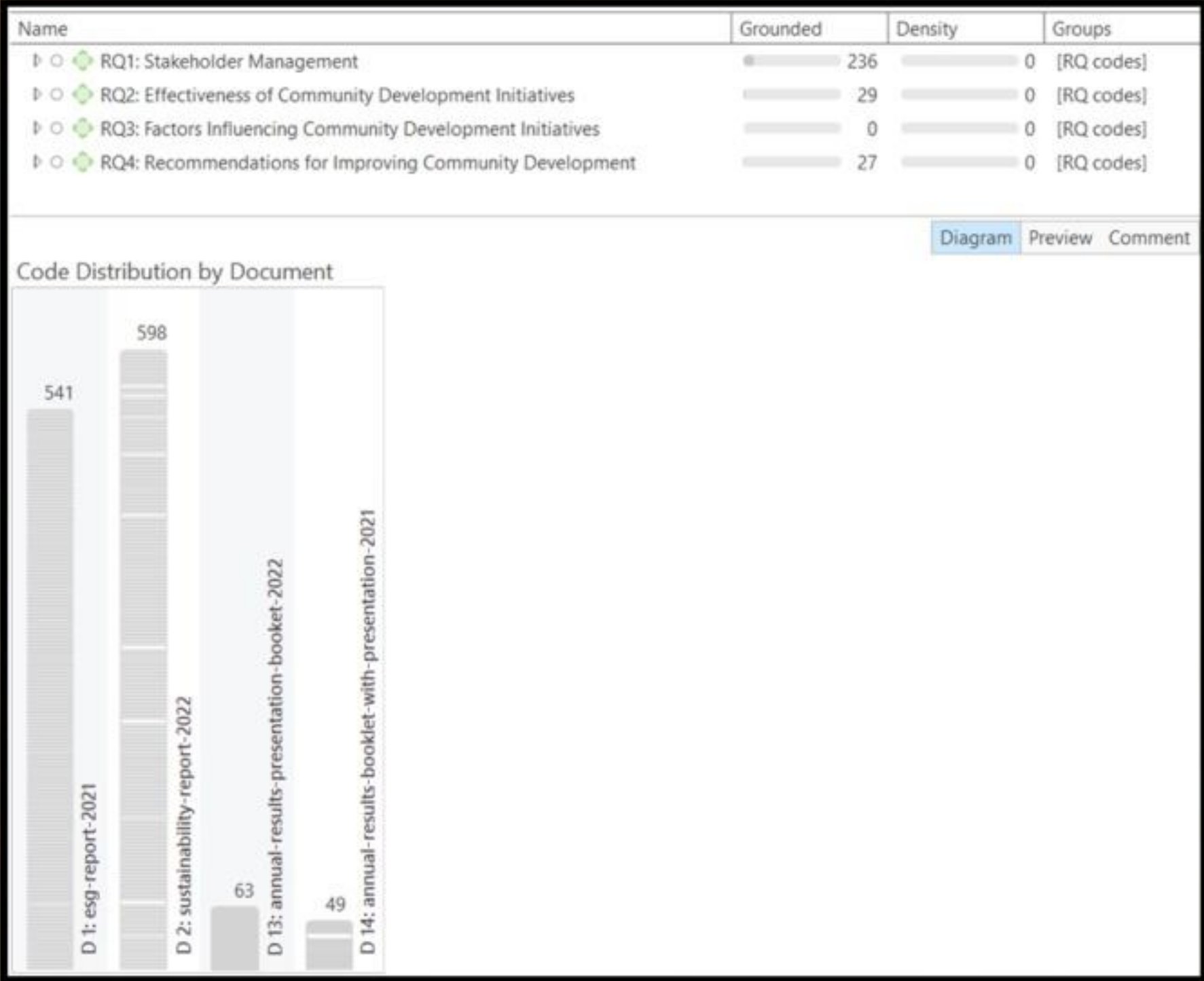
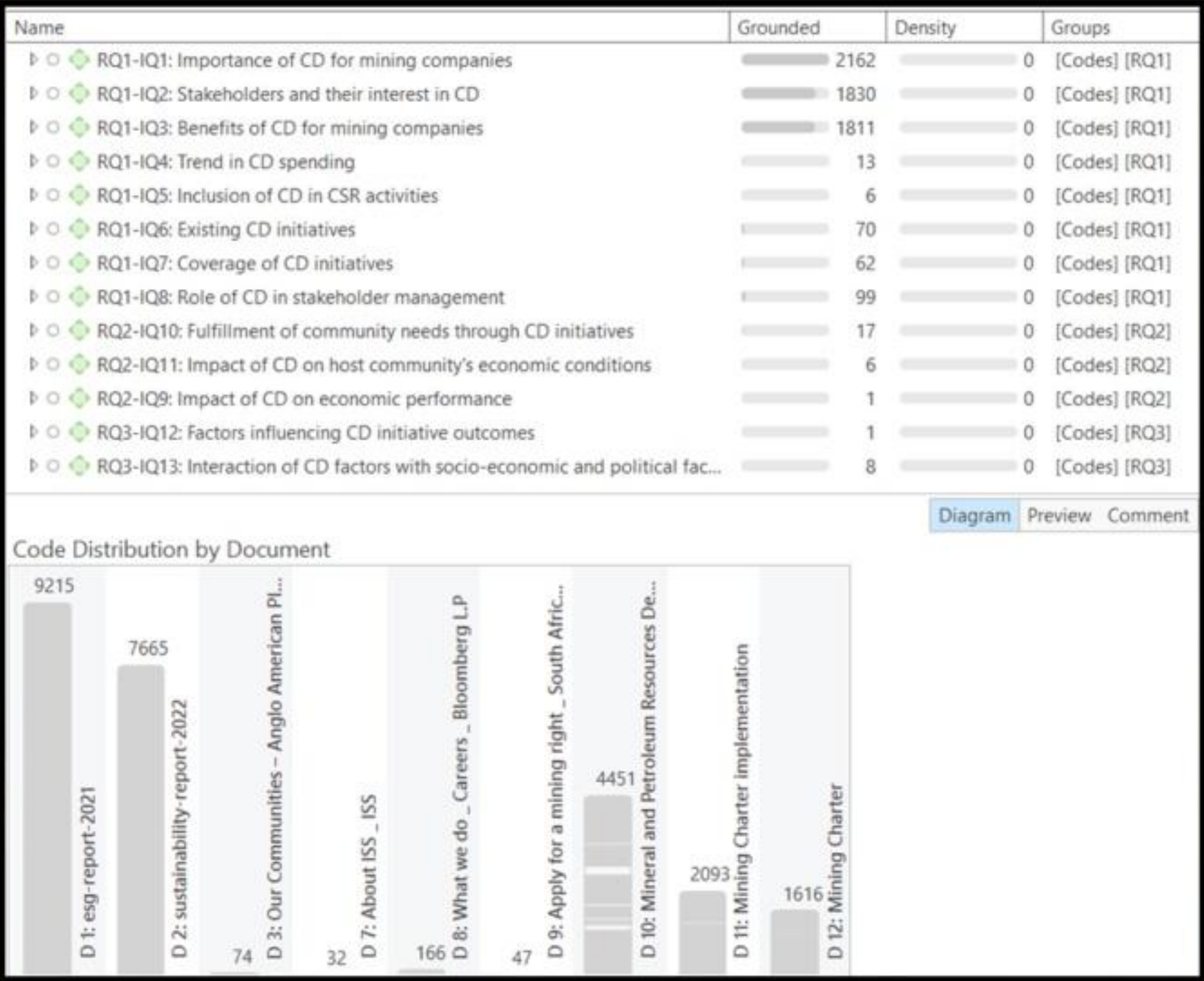


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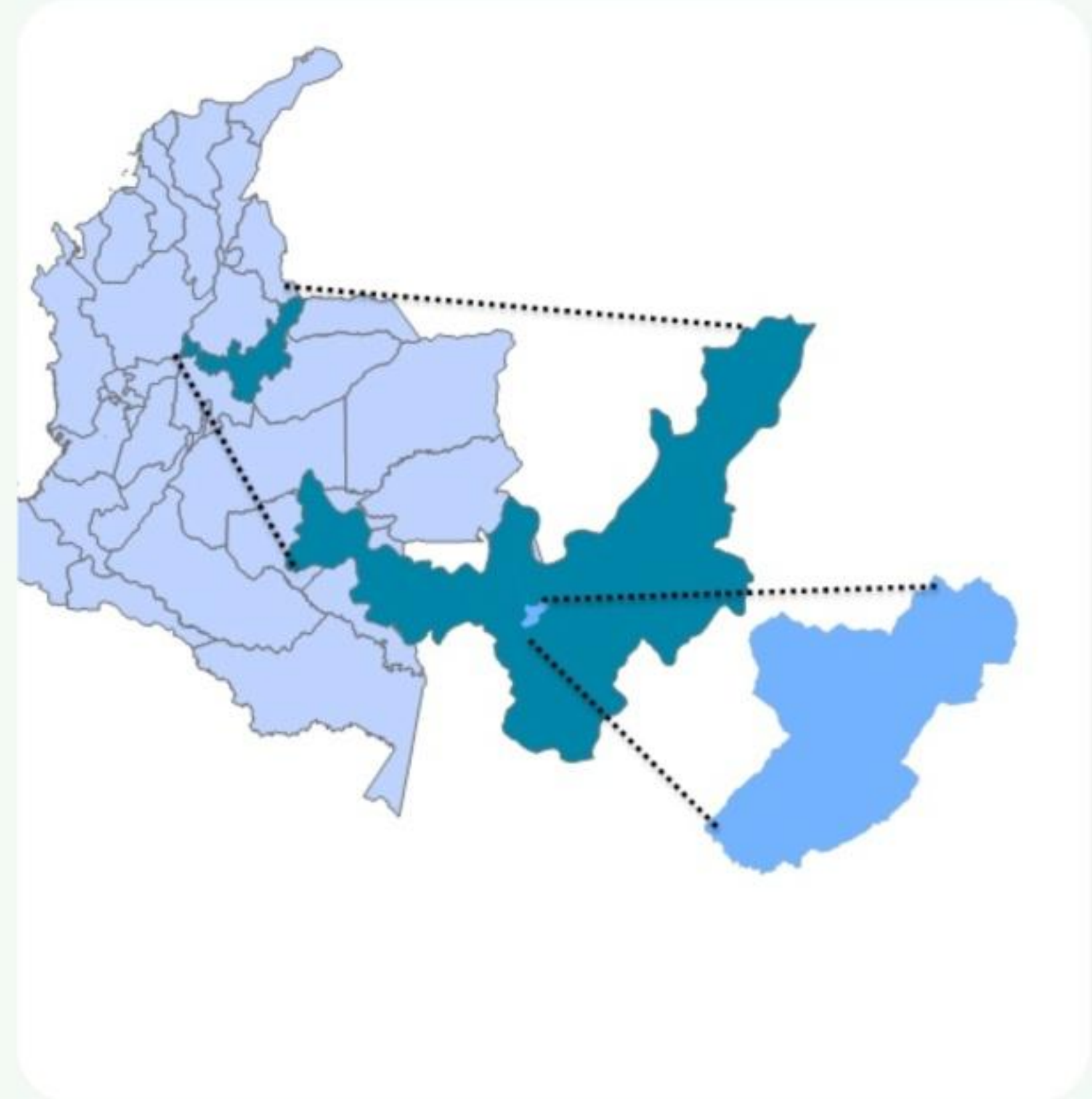




Name	Grounded	Density	Groups
▸ ○ Community development	116	0	[Themes]
▸ ○ Corporate responsibility	133	0	[Themes]
▸ ○ Economic empowerment	96	0	[Themes]
▸ ○ Environmental management	111	0	[Themes]
▸ ○ Governance (2)	93	0	[Themes]
▸ ○ Legal regulations	77	0	[Themes]
▸ ○ Pandemic	7	0	[Themes]
▸ ○ Performance (2)	33	0	[Themes]
▸ ○ Social	97	0	[Themes]
▸ ○ Sustainability (2)	124	0	[Themes]

Analytical Frameworks

Frameworks such as the Triple Bottom Line, stakeholder mapping, and social exchange theory are employed to assess the effectiveness and sustainability of Community Development practices in the mining industry.



Link Between Spending and Profitability

Community development spending is directly linked to a company's profitability, indicating that effective investments in this area can yield financial returns while benefiting local communities. However, the current allocation of resources may not adequately address the needs of these communities, which can lead to unrest and dissatisfaction.

Unrest Indicates Misalignment

Ongoing unrest within mining communities serves as a clear indicator of a disconnect between company initiatives and community needs. This misalignment emphasizes the need for mining firms to engage more closely with local stakeholders to understand their priorities and expectations better.

Repositioning as Market Enabler

There are significant opportunities for mining companies to reposition community development initiatives not just as an obligation, but as a strategic market enabler. By fostering entrepreneurship and investing in local skills development, companies can create a more stable environment that drives demand for platinum-group metals (PGMs).



Findings: Current Gaps & Opportunities

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2010年10月31日在内蒙古呼和浩特进行教师培训。



Entrepreneurship Support

Community development initiatives foster entrepreneurship by providing training, resources, and financial support to local businesses, encouraging the creation of local PGM-based products such as jewelry and technology solutions.



Skills Development

Skills development programs enhance the workforce's capabilities, enabling local artisans and innovators to contribute effectively to the PGM industry, thus ensuring a skilled labor pool for future demands.



Public-Private Partnerships

Public-private partnerships leverage resources and expertise from both sectors, facilitating projects that drive innovation, improve infrastructure, and promote sustainable development within PGM-related industries.



Innovation Hubs

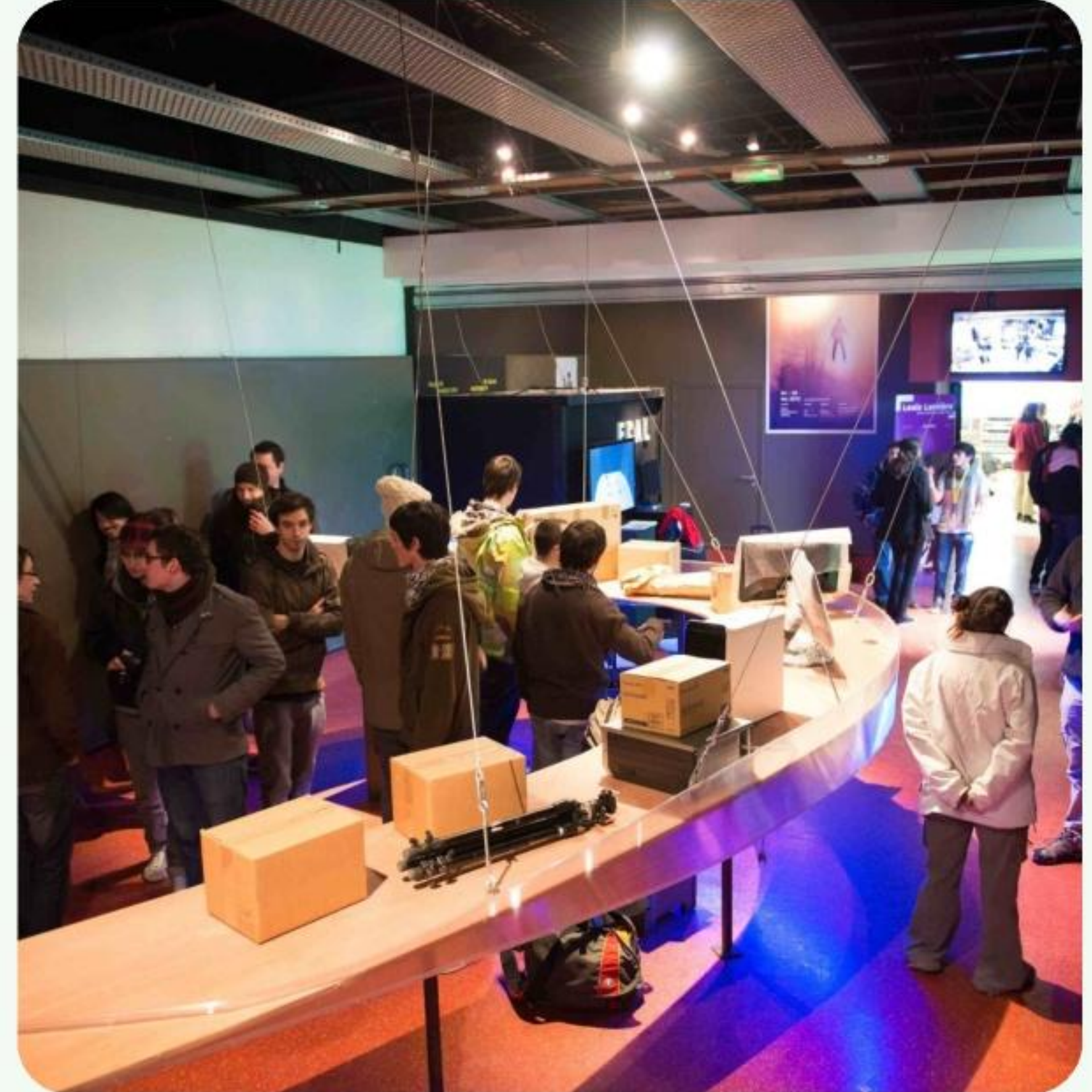
Innovation hubs act as incubators for new ideas and technologies, fostering collaboration among startups, researchers, and established companies to create solutions that stimulate demand for PGMs.



Driving Demand for PGMs Through Community Development

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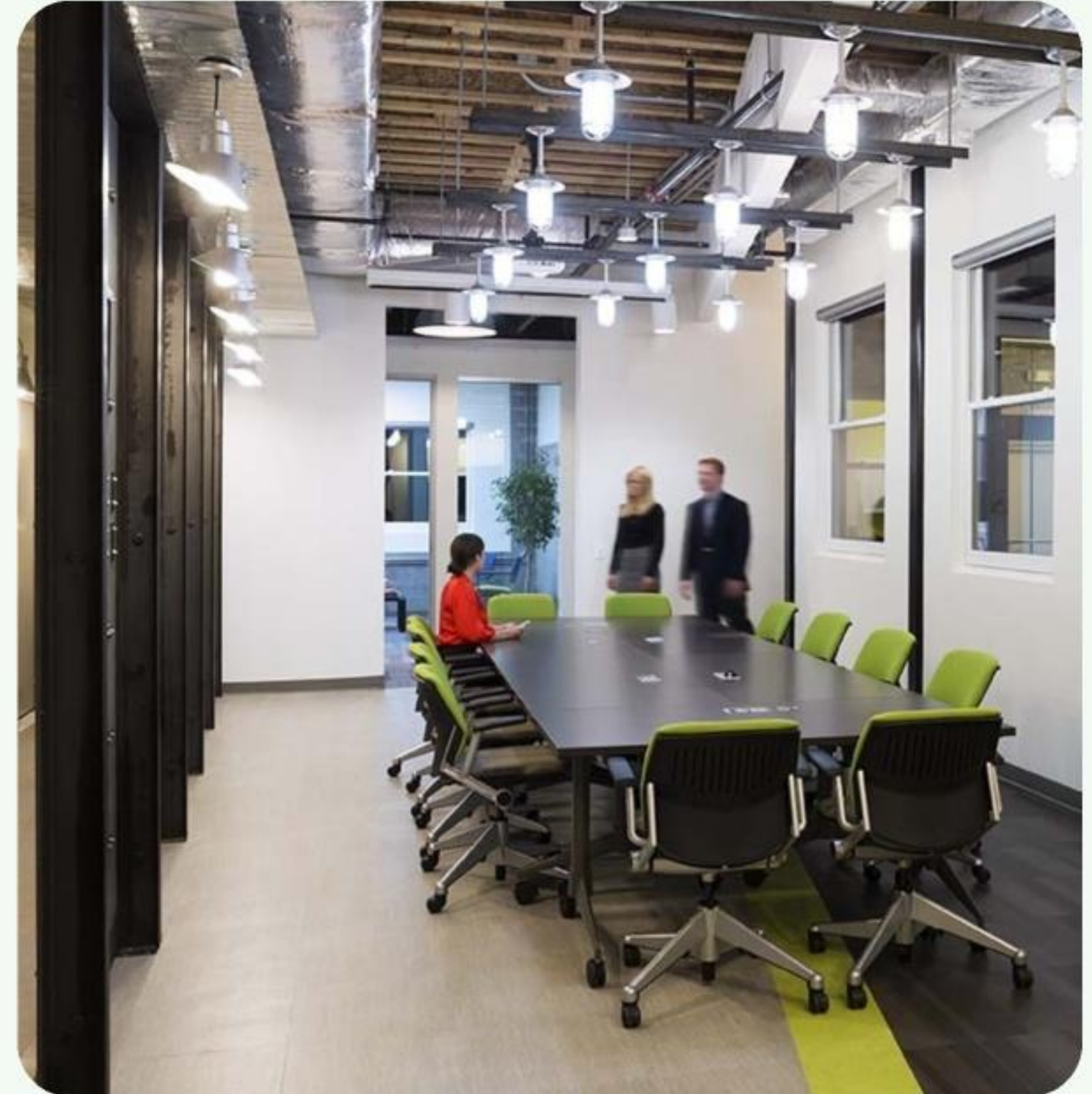
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Turning Waste into Wealth: The Sylvania Model

The Sylvania example demonstrates the potential of utilizing untreated tailings, which are rich in recoverable platinum group metals (PGMs), to create a sustainable circular economy. By reprocessing waste materials, Sylvania not only contributes to environmental sustainability but also generates employment opportunities and economic growth, showcasing a profitable model for other mining operations.



The Ntanzi Framework for Community Development Evolution

Highlighting the progression and significance of community investment in the mining sector

Stage 1: Compliance

Initially, community development (CD) was primarily about adhering to legal requirements and meeting basic obligations. Mining companies focused on fulfilling regulatory mandates without engaging deeply with communities.

Stage 2: Integration

The second stage saw a shift towards integrating community development into corporate strategies. Companies began to recognize the importance of aligning their CD efforts with business goals and stakeholder needs, leading to more effective outcomes.

Stage 3: Co-Creation

Co-creation emerged as a collaborative approach, where companies actively engaged with communities to develop initiatives together. This stage emphasized mutual benefits and stakeholder involvement, fostering trust and partnership.

Stage 4: Market Generation

The final stage focuses on transforming community development into a market-generating tool. Companies leverage their investments in communities to drive demand for their products while enhancing local economies.

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Embed Community Development in Business Planning

Integrating community development into the central business strategy ensures that it aligns with overall corporate goals, fostering long-term sustainability and mutual benefits for both the company and local communities.

Develop Shared-Value Partnerships

Building partnerships with local businesses and community organizations creates shared value, strengthens community ties, and enhances the social fabric, ultimately benefiting the company's operational success.

Link Community Development to Industrial Policy

Aligning community development initiatives with industrial policies ensures that community investments support broader economic goals, enhancing the impact of both the mining sector and local economies.

Measure Success Through Impact Metrics

Implementing metrics to assess both social and market impacts of community development initiatives allows for data-driven decision-making, enhancing transparency and accountability to stakeholders.

Foster a 'Sylvania Mindset'

Encouraging a "Sylvania mindset" among stakeholders promotes innovation and a proactive approach to community engagement, fostering an environment where communities can thrive and contribute to the business.



Key Recommendations for Community Development

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Evolving Sustainability in Mining



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The future of mining sustainability extends beyond mere resource extraction. It hinges on the active engagement and empowerment of local communities, enabling them to harness the potential of their resources. This approach fosters innovation and promotes value creation that benefits both the industry and the communities involved.



Acknowledgements and Contact Information

This presentation extends heartfelt gratitude to Wits Business School for their invaluable support and resources. Special thanks to the SAIMM PGM 2025 Committee for the platform. For further inquiries or collaboration opportunities, please reach out to Lunga Nkosana Ntanzilunga@gmail.com
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Strategic Access & Implementation

Licensing Availability

This framework is independently developed and licensed by Lunga Ntanzi.

Available for:

- Workshop delivery
- Internal rollout
- Strategic advisory retainers
- Co-branded partnerships

What This Enables

- Aligns ESG goals with profitability
- Reduces unrest through stakeholder trust
- Supports industrial policy integration
- Drives demand for PGMs through community innovation
- Enables measurable impact via strategic metrics

Let's Build Together

Interested in implementing this framework?

Let's explore licensing, advisory, or partnership opportunities.

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Repositioning Community Development as Strategic Capital in the PGM Value Chain

Exploring the integral role of Community Development in fostering social stability and enhancing business growth within the South African Platinum Group Metals industry.

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