



**Western Cape
Government**

Environmental Affairs and
Development Planning

Directorate: Development Management
(Region 1)

REFERENCE: 16/3/3/1/F4/17/3017/18
NEAS REFERENCE: WCP/EIA/0000412/2018
ENQUIRIES: Mr. S. Abrahams
DATE OF ISSUE: 2018 -09- 25

The Director
Saldanha Steel (Pty) Ltd.
Private Bag X11
SALDANHA
7395

Attention: Mr. G. Vrolick

Tel: (022) 709 4000
Fax: (022) 709 4682

Dear Sir

ENVIRONMENTAL AUTHORISATION IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 (ACT 107 OF 1998) AND THE ENVIRONMENTAL IMPACT ASSESSMENT REGULATIONS, 2014 (AS AMENDED): THE PROPOSED DEVELOPMENT AND OPERATION OF AN EXTRUSION FACILITY AND ASSOCIATED INFRASTRUCTURE AT SALDANHA STEEL, SALDANHA.

1. With reference to the above application, the Department hereby notifies you of its decision to **grant** Environmental Authorisation, attached herewith, together with the reasons for the decision.
2. In terms of Regulation 4 of the Environmental Impact Assessment Regulations, 2014 (as amended), you are instructed to ensure, within 14 days of the date of the decision on the application, that all registered interested and affected parties ("I&APs") are provided with access to the decision and reasons for the decision, and that all registered I&APs are notified of their right to appeal.
3. Your attention is drawn to Chapter 2 of the Appeal Regulations, 2014, which prescribes the appeal procedure to be followed. This procedure is summarised in the attached Environmental Authorisation.

Yours faithfully

**DIRECTOR: DEVELOPMENT MANAGEMENT (REGION 1)
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING**

Copies to: (1) Ms. N. Duarte (Saldanha Bay Municipality)
(2) Ms. K. Zantow (Zantow Environmental Consultants)

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ENVIRONMENTAL AUTHORISATION

ENVIRONMENTAL AUTHORISATION IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 (ACT 107 OF 1998) AND THE ENVIRONMENTAL IMPACT ASSESSMENT REGULATIONS, 2014 (AS AMENDED): THE PROPOSED DEVELOPMENT AND OPERATION OF AN EXTRUSION FACILITY AND ASSOCIATED INFRASTRUCTURE AT SALDANHA STEEL, SALDANHA.

With reference to your application for the abovementioned, find below the outcome with respect to this application.

DECISION

By virtue of the powers conferred on it by the National Environmental Management Act, 1998 (Act No. 107 of 1998) ("NEMA") and the Environmental Impact Assessment ("EIA") Regulations, 2014 (as amended), the Competent Authority herewith **grants Environmental Authorisation** to the applicant to undertake the listed activity specified in section B below with respect to the Preferred Alternative, described in the BAR, dated 07 June 2018.

The applicant for this Environmental Authorisation is required to comply with the conditions set out in section E below.

A. DETAILS OF THE APPLICANT FOR THIS ENVIRONMENTAL AUTHORISATION

Saldanha Steel (Pty) Ltd.
c/o Mr. G. Vrolick
Private Bag X11
SALDANHA
7395

Tel: (022) 709 4000
Fax: (022) 709 4682

The abovementioned applicant is the holder of this Environmental Authorisation and is hereinafter referred to as "**the holder**".

D. DETAILS OF THE ENVIRONMENTAL ASSESSMENT PRACTITIONER

Zantow Environmental Consulting Services cc
c/o Ms. K. Zantow
P.O. Box 3858
VANDEBIJLPARK
1911

Cell: (083) 384 3641
Fax: (021) 932 4976

E. CONDITIONS OF AUTHORISATION

Scope of authorisation

1. The holder is authorised to undertake the listed activity specified in Section B above in accordance with and restricted to the Preferred Alternative described in the BAR dated 10 May 2018 on the site as described in Section C above.
2. The holder must commence with the listed activity on site within a period of **ten (10) years** from the date of issue of this Environmental Authorisation.
3. The expansion must be concluded within 5 (five) years from the date of commencement of the listed activity.
4. The holder shall be responsible for ensuring compliance with the conditions by any person acting on his/her behalf, including an agent, sub-contractor, employee or any person rendering a service to the holder.
5. Any changes to, or deviations from the scope of the alternative described in section B above must be accepted or approved, in writing, by the Competent Authority before such changes or deviations may be implemented. In assessing whether to grant such acceptance/approval or not, the Competent Authority may request information in order to evaluate the significance and impacts of such changes or deviations, and it may be necessary for the holder to apply for further authorisation in terms of the applicable legislation.

Written notice to the Competent Authority

6. A minimum of 7 (seven) calendar days' notice, in writing, must be given to the Competent Authority before commencement of the listed activity.
 - 6.1. The notice must make clear reference to the site details and EIA Reference number given above.
 - 6.2. The notice must also include proof of compliance with the following conditions described herein:

Conditions: 7, 8 and 11.

Notification and administration of appeal

7. The holder must in writing, within 14 (fourteen) calendar days of the date of this decision–
 - 7.1. Notify all registered Interested and Affected Parties ("I&APs") of –
 - 7.1.1. the outcome of the application;
 - 7.1.2. the reasons for the decision as included in Annexure 1;

- 7.1.3. the date of the decision; and
 - 7.1.4. the date when the decision was issued.
- 7.2. Draw the attention of all registered I&APs to the fact that an appeal may be lodged against the decision in terms of the National Appeal Regulations, 2014 (as amended) detailed in section G below;
- 7.3. Draw the attention of all registered I&APs to the manner in which they may access the decision;
- 7.4. Provide the registered I&APs with:
- 7.4.1. the name of the holder (entity) of this Environmental Authorisation,
 - 7.4.2. name of the responsible person for this Environmental Authorisation,
 - 7.4.3. postal address of the holder,
 - 7.4.4. telephonic and fax details of the holder,
 - 7.4.5. e-mail address, if any, of the holder,
 - 7.4.6. the contact details (postal and/or physical address, contact number, facsimile and e-mail address) of the decision-maker and all registered I&APs in the event that an appeal is lodged in terms of the National Appeal Regulations, 2014 (as amended).
8. The listed activity, including site preparation, must not commence within 20 (twenty) calendar days from the date the holder notifies the registered I&APs of this decision. In the event that an appeal is lodged with the Appeal Authority, the effect of this Environmental Authorisation is suspended until the appeal is decided i.e. the listed activity, including site preparation, must not commence until the appeal is decided.

Management of activity

9. The draft Environmental Management Programme ("EMPr") submitted as part of the application for Environmental Authorisation is hereby approved.
10. The manner and frequency for updating the EMPr is as follows:
- Amendments to the EMPr, other than those required by this Environmental Authorisation, must be done in accordance with Regulations 35 to 37 of the NEMA EIA Regulations, 2014 (as amended) or any relevant legislation that may be applicable at the time.

Monitoring

11. The holder must appoint a suitably experienced environmental control officer ("ECO"), or site agent where appropriate, before the commencement of any expansion activities to ensure compliance with the provisions of the EMPr and the conditions contained in this Environmental Authorisation.
12. A copy of the Environmental Authorisation, EMPr, Environmental Audit Reports and compliance monitoring reports must be kept at the site of the authorised activity during the expansion activities whereafter it must be kept at the office of the applicant, and must be made available to anyone on request.
13. Access to the site referred to in Section C above must be granted, and the environmental reports mentioned above must be produced, to any authorised official representing the Competent Authority who requests to see it for the purposes of assessing and/or monitoring compliance with the conditions contained herein.

Auditing

14. In terms of Regulation 34 of the NEMA EIA Regulations, 2014 (as amended), the holder must conduct environmental audits to determine compliance with the conditions of the Environmental Authorisation and the EMPr and submit Environmental Audit Reports to the Competent Authority. The Environmental Audit Reports must be prepared by an independent person and must contain all the information required in Appendix 7 of the NEMA EIA Regulations, 2014 (as amended).
 - 14.1. The holder must undertake an environmental audit within 6 (six) months of the commencement of the listed activity and submit Environmental Audit Reports to the Competent Authority 1 (one) month after the completion of the listed activity. A final Environmental Audit Report must be submitted to the Competent Authority within 1 (one) year after the development has been completed.
 - 14.2. The holder must, within 7 (seven) days of the submission of the report to the Competent Authority, notify all potential and registered I&APs of the submission and make the report available to anyone on request.

Specific Conditions

15. The requirements of the Occupational Health and Safety Act No. 85 of 1993 (OHSA) must be adhered to.
16. No surface or groundwater may be polluted due to any actions on the site.
17. All noise and sounds generated must comply with the relevant SANS codes and standards.
18. No potable water must be used to mitigate dust nuisance. Alternative dust suppression methods must be implemented instead.
19. An integrated waste management approach, which is based on waste minimisation and incorporates reduction, recycling, re-use and disposal, where appropriate, must be employed. Any solid waste generated in the development phase must be disposed of at a licensed landfill in terms of the applicable legislation.
20. The recommendation of the Air Quality Assessment Report (compiled by Lethabo Air Quality Specialists dated June 2018) which indicates that air emissions of the extrusion facility must be verified annually by a reputable and independent contractor and must be implemented and documented. This recommendation must be included in the EMPr.

F. GENERAL MATTERS

1. Notwithstanding this Environmental Authorisation, the holder must comply with any other statutory requirements that may be applicable when undertaking the listed activity.
2. Non-compliance with a condition of this Environmental Authorisation or EMPr may render the holder liable to criminal prosecution.
3. If the holder does not commence with the listed activity within the period referred to in Condition 2, this Environmental Authorisation shall lapse, and a new application for Environmental Authorisation must be submitted to the Competent Authority. If the holder wishes to extend the validity period of the Environmental Authorisation, an application for amendment in this regard must be made to the Competent Authority prior to the expiry date of the Environmental Authorisation.
4. The holder must submit an application for amendment of the Environmental Authorisation to the Competent Authority where any detail with respect to the Environmental Authorisation must be amended, added, substituted, corrected, removed or updated. If a new holder is

proposed, an application for Amendment in terms of Part 1 of the EIA Regulations, 2014 (as amended) must be submitted. Please note that an amendment is not required if there is a change in the contact details of the holder. In this case, the Competent Authority must only be notified of such changes.

G. APPEALS

Appeals must comply with the provisions contained in the National Appeal Regulations, 2014 (as amended).

1. An appellant (if the holder of the decision) must, within 20 (twenty) calendar days from the date the notification of the decision was sent to the holder by the Competent Authority –
 - 1.1. Submit an appeal in accordance with Regulation 4 of the National Appeal Regulations 2014 (as amended) to the Appeal Administrator; and
 - 1.2. Submit a copy of the appeal to any registered I&APs, any Organ of State with interest in the matter and the decision-maker i.e. the Competent Authority that issued the decision. -
2. An appellant (if NOT the holder of the decision) must, within 20 (twenty) calendar days from the date the holder of the decision sent notification of the decision to the registered I&APs–
 - 2.1. Submit an appeal in accordance with Regulation 4 of the National Appeal Regulations 2014 (as amended) to the Appeal Administrator; and
 - 2.2. Submit a copy of the appeal to the holder of the decision, any registered I&AP, any Organ of State with interest in the matter and the decision-maker i.e. the Competent Authority that issued the decision.
3. The holder of the decision (if not the appellant), the decision-maker that issued the decision, the registered I&AP and the Organ of State must submit their responding statements, if any, to the appeal authority and the appellant within 20 (twenty) calendar days from the date of receipt of the appeal submission.
4. The appeal and the responding statement must be submitted to the address listed below:

By post: Western Cape Ministry of Local Government, Environmental Affairs and
Development Planning
Private Bag X9186
CAPE TOWN
8000

By facsimile: (021) 483 4174; or

By hand: Attention: Mr Jaap de Villiers (Tel: 021 483 3721)
Room 809
8th Floor Utilitas Building, 1 Dorp Street, Cape Town, 8001

Note: For purposes of electronic database management, you are also requested to submit electronic copies (Microsoft Word format) of the appeal, responding statement and any supporting documents to the Appeal Authority to the address listed above and/ or via e-mail to Jaap.DeVilliers@westerncape.gov.za.

5. A prescribed appeal form as well as assistance regarding the appeal processes is obtainable from The Appeal Authority at: Tel. (021) 483 3721, E-mail Jaap.DeVilliers@westerncape.gov.za or URL <http://www.westerncape.gov.za/eadp>.

H. DISCLAIMER

The Western Cape Government, the holder, committees or any other public authority or organisation appointed in terms of the conditions of this Environmental Authorisation shall not be responsible for any damages or losses suffered by the holder, developer or his/her successor in any instance where development or operations subsequent to development is temporarily or permanently stopped for reasons of non-compliance with the conditions as set out herein or any other subsequent document or legal action emanating from this decision.

Your interest in the future of our environment is appreciated.

Yours faithfully



MR. ZAATHIR TOEFY
DIRECTOR: DEVELOPMENT MANAGEMENT (REGION 1)

DATE OF DECISION: 25/09/2018

Copies to: (1) Ms. N. Duarte (Saldanha Bay Municipality)
(2) Ms. K. Zantow (Zantow Environmental Consultant Services cc)

Fax: (022) 715 1518
Fax: (016) 932 4976

ANNEXURE 1: REASONS FOR THE DECISION

In reaching its decision, the Competent Authority considered, inter alia, the following:

- a) The information contained in the Application Form dated 05 March 2018 and received by the Competent Authority on 02 May 2018, the BAR dated 07 June 2018 and received by the Competent Authority on 30 July 2018 and the EMPr submitted together with the BAR dated 07 June 2018 and received by the Competent Authority on 30 July 2018;
- b) Relevant information contained in the Departmental information base, including the Guidelines on Public Participation, Alternatives and Need and Desirability (dated March 2013);
- c) The objectives and requirements of relevant legislation, policies and guidelines, including section 2 of the National Environmental Management Act, 1998 (Act No. 107 of 1998);
- d) The comments received from I&APs and responses to these, included in the BAR dated 07 June 2018;
- e) The balancing of negative and positive impacts and proposed mitigation measures; and
- f) No site visits were conducted. The Competent Authority had sufficient information before it to make an informed decision without conducting a site visit.

All information presented to the Competent Authority was taken into account in the consideration of the application for Environmental Authorisation. A summary of the issues that were considered to be the most significant for the decision is set out below.

1. Public Participation

The public participation process included:

- identification of and engagement with I&APs;
- fixing a notice board at the site where the listed activity is to be undertaken on 03 May 2018;
- giving written notice to the owners and occupiers of land adjacent to the site where the listed activity is to be undertaken, the municipality and ward councilor, and the various organs of state having jurisdiction in respect of any aspect of the listed activity on 07 May 2018;
- the placing of a newspaper advertisement in the 'Weslander' on 10 May 2018; and
- making the BAR available to I&APs for public review from 03 May 2018 to 04 June 2018.

The Competent Authority concurs with the Environmental Assessment Practitioner's responses to the issues raised during the public participation process and has included appropriate conditions in this Environmental Authorisation and in the EMPr.

2. Alternatives

Three technology alternatives and the "No-Go" alternative were identified and comparatively assessed:

Stiff Vacuum Extrusion (Preferred Alternative) – Herewith Authorised

The proposed expansion entails the establishment of an extrusion facility and associated storage infrastructure at the Saldanha Steel facility.

The proposed extrusion facility will be developed and operated by means of an agglomeration (stiff vacuum extrusion) process. The by-products of the stiff vacuum extrusion process will be re-

used and reintroduced back into the work furnaces and will be used as part of the steel making process. Saldanha Steel's existing AEL will be amended to accommodate the proposed expansion. The extrusion facility will be located in an existing building at the Saldanha Steel facility. The proposed development will have a footprint of approximately 900 m².

The proposed stiff vacuum extrusion process will use bentonite as a binding agent. The use of bentonite will reduce the amount of other raw material and cement as a binder. This alternative was preferred as the inclusion of bentonite will increase the strength of the final product produced from the briquette operation. Further, no thermal processing of raw material will be required in the stiff vacuum extrusion process. This process will produce significantly more output per hour as opposed to the alternatives assessed. Stiff vacuum extrusion technology is the preferred alternative from a feasibility and practical perspective.

Roller pressing – Alternative 2

The Roller pressing extrusion briquetting technology was not preferred as the maximum output will be significantly less than the stiff vacuum extrusion process. In addition, the roller pressing briquetting process will require the use of significantly more cement as a binder which will affect the overall quality of the final product. This alternative was therefore not preferred.

Vibropressing – Alternative 3

The vibropress extrusion briquetting technology requires the use of thermal processing of raw material which increases the dependency on energy supply. Further, this alternative produces the least output of recycled product per hour. This alternative was therefore not preferred.

"No-Go" Alternative

The "No-Go" alternative would result in maintaining the "*status quo*". However, since the preferred alternative will not result in unacceptable environmental impacts, the "No-Go" alternative was not warranted.

3. Impact Assessment and Mitigation measures

3.1. Activity Need and Desirability

The extrusion facility will recycle by-products generated by the steel manufacturing process. The by-products of the recycling process will be reintroduced into the work furnaces which will decrease waste and increase production of steel. The extrusion facility will reduce the dependency on raw materials that need to be acquired from suppliers or obtained from mining operations.

3.2. Air Quality Impacts

According to the Air Quality Assessment Report (compiled by Lethabo Air Quality Specialist ("LAQS") dated June 2018) the point of maximum air quality impact at the site was modelled. The dispersion modelling study was used to indicate the estimated maximum ground-level concentration Particulate Matter ("PM") for the PM₁₀ range. The results indicated that the maximum allowed emissions from the proposed extrusion facility (through the use of stiff vacuum extrusion technology) will be below ambient air quality standards. All alternatives assessed indicated that the concentrations at the nearest residential area is estimated to be well below the ambient air standards. LAQS is of the opinion that no continuous monitoring equipment will be required to monitor the emissions at the site for the proposed expansion. However, mitigation measures have been included in the EMPr.

3.3. Surface and Groundwater Impacts

Contamination of surface water or groundwater may occur in the event of incorrect handling procedures. Failure in storage infrastructure may result in surface or groundwater contamination.

Mitigation measures to prevent spills, leaks and contamination have been included in the EMPr and conditions of this environmental authorisation.

3.4. Dust Impacts

Dust impacts are anticipated as a result of cement, bentonite and fine material utilisation during the operational phase. However, dust related impacts will be mitigated through the implementation of the conditions of this Environmental Authorisation and mitigation measures of the EMPr.

3.5. Waste Management

The proposed development will result in positive waste management impacts. The reused material will be recycled back into the steel manufacturing process. The proposed expansion will decrease waste generated at the facility.

3.6. Noise Impacts

Some noise related impacts are anticipated. However, the proposed development is located in an industrial area. Therefore, anticipated noise impacts are not expected to be of concern. Mitigation measures have been included as conditions set in this Environmental Authorisation and in the EMPr.

3.7. Impact Assessment and significance rating

- 3.7.1. Potential air quality impacts have been identified in the BAR as being of low significance prior to and post mitigation.
- 3.7.2. Potential surface and groundwater contamination has been identified in the BAR as being of medium significance prior to and low significance post mitigation.
- 3.7.3. Potential dust impacts during the operational phase has been identified in the BAR as being of medium significance prior to and low significance post mitigation.
- 3.7.4. Potential waste management impacts during the operational has been identified in the BAR as being of low negative significance prior to and medium positive significance post mitigation.
- 3.7.5. Potential noise impacts have been identified in the BAR as being of low significance prior to and post mitigation.

The proposed development will result in both negative and positive impacts.

Negative Impacts include:

- Operational impacts at the plant (Dust and Noise); and
- Potential contamination of surface or groundwater.

Positive impacts include:

- Improved waste management through recycling;
- Better utilisation of available resources; and
- Increase in production of steel.

4. National Environmental Management Act Principles

The National Environmental Management Principles (set out in section 2 of the NEMA, which apply to the actions of all organs of state, serve as guidelines by reference to which any organ of state must exercise any function when taking any decision, and which must guide the interpretation, administration and implementation of any other law concerned with the protection or management of the environment), *inter alia*, provides for:

- the effects of decisions on all aspects of the environment to be taken into account;
- the consideration, assessment and evaluation of the social, economic and environmental impacts of activities (disadvantages and benefits), and for decisions to be appropriate in the light of such consideration and assessment;
- the co-ordination and harmonisation of policies, legislation and actions relating to the environment;
- the resolving of actual or potential conflicts of interest between organs of state through conflict resolution procedures; and
- the selection of the best practicable environmental option.

5. Conclusion

In view of the above, the NEMA principles, compliance with the conditions stipulated in this Environmental Authorisation, and compliance with the EMPr, the Competent Authority is satisfied that the proposed listed activity will not conflict with the general objectives of integrated environmental management stipulated in Chapter 5 of the National Environmental Management Act, 1998 (Act No. 107 of 1998) and that any potentially detrimental environmental impacts resulting from the listed activity can be mitigated to acceptable levels.

You are reminded of your general duty of care towards the environment in terms of Section 28(1) of the NEMA which states: *"Every person who causes, has caused or may cause significant pollution or degradation of the environment must take reasonable measures to prevent such pollution or degradation from occurring, continuing or recurring, or, in so far as such harm to the environment is authorised by law or cannot reasonably be avoided or stopped, to minimise and rectify such pollution or degradation of the environment."*

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