



# **PUBLIC NON-CONSULTATION RELATED DELAYS IN DELIVERY OF MEGA PROJECTS**

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Since 1994 the post-Apartheid new dispensation introduced policies that sought to affect equity in all spheres of life, Mega Projects have become indispensable as their sheer size could have an immediate impact on the intended beneficiaries. However the widespread public protestations and rolling juristic disputations are the objective of this study to assess their impact on the projects' implementation. The two biggest Mega projects in the energy sector, Medupi power station and Kusile power stations are used as case studies to assess the delays caused by the endemic protests in the country. Interviews were held with, local communities, top government officials and professionals involved in the implementation of these projects. It was observed that most of these projects are hastily implemented with abnormally heavy pressure from the authorities in order to avoid political embarrassment. The rushed implementation leads to superficial public consultation which results in a lack of psychological contract with the local communities. Some of these protests could be attributed to downtime, picketing, intimidation of workers, sabotage and general disruptions in order to demonstrate disaffection with the implementation of the projects. If consultation could be all-encompassing, meaningful and target critical stakeholders much better improved project delivery could be achieved.

*Keywords:* South Africa, Backlog, Psychological contract, Program, Implementation, Critical stakeholders.

## **1 INTRODUCTION**

Megaprojects are large-scale, complex ventures that typically cost a billion dollars or more, take many years to erect and complete, require various public and private stakeholders, are transformational, and have an impact on millions of people (Flyvbjerg 2014). The importance of these schemes is the spread and immediacy of impact on a nation or at least a very big proportion of it, as opposed to lesser and more traditional projects. They provide an ideal ground for goods and services across a variety of industries and sectors, like infrastructure, water and energy, information technology, industrial processing of plants and mining, urban regeneration, and major events (such as world cups/Olympics) etc. Expenditures on mega-projects already amount to some \$6-9 trillion a year; a rough estimate of 8% of global GDP, making this the biggest investment boom in human history (Alexander 2015). Table 1 summarizes all the characteristics of megaprojects.

Table 1. Mega project characteristics (Zidane and Ekambaram 2013).

<b>Element</b>	<b>Characteristic and Description</b>
Size	Large scale
Cost	Exceeds one billion US dollar
Time	Exceeds 5 years Long” duration
Success	Different objectives
Singularity	Unique, no megaproject looks like another
Risks/concerns	Fail to meet costs estimations, time schedules, and anticipated project outcomes. Poor performance in terms of economy, environment, and public support. Leads to cost overruns and lower-than-predicted revenues that hinder economic growth instead of advancing it.
Implementation	Owner requiring multidisciplinary inputs from many organizations
Impacts	Impacts on the community, environment, state budgets.

## **2 BACKGROUND**

The previous policies taken under apartheid meant the majority of the general populace was not connected to the national electricity grid. Through the 1990s and early 2000s the government embarked on a massive electrification drive to distribute electricity supply equitably. However in late 2007 the country started experiencing rolling national blackouts, a clear sign that the infrastructure could not cope any longer. This development meant that South Africa had a critical electricity generating shortage and this had to be addressed by a huge additional generating capacity if the country was to be competitive (De Vos 2014). However, in Africa it is still the most energy-intensive economy. The need for electricity compelled the government to implement two mega projects of Kusile (US\$10.8) and Medupi (US\$20.3) power stations. South Africa's indigenous energy resource base is dominated by coal. Internationally, coal is the most widely used primary fuel, accounting for about 36% of the total fuel consumption of the world's electricity production. About 77% of South Africa's primary energy needs are provided by coal. This is unlikely to change significantly in the next two decades owing to the relative lack of suitable alternatives to coal as an energy source (Energy SA 2016). However these two projects have had resistance and protestations from the members of the public for a number of issues. It is the intention of this study to investigate why these two national assets are not broadly embraced especially by the local populace.

## 2.1 Public Consultation

Public consultation, or simply consultation, is a regulatory process by which the public's input on matters affecting them is sought (OECD 2016). Its main goals are in improving the efficiency, transparency and public involvement in large-scale projects or laws and policies. It usually involves notification (to publicize the matter to be consulted on), consultation (a two-way flow of information and opinion exchange) as well as participation (involving interest groups in the drafting of policy or legislation). Public consultations are conducted with representative samples of the citizenry. Using standard scientific methods of random sampling, a sample is chosen and subsequently weighted to reflect the population census on all major demographic variables, thus producing an accurate microcosm of the citizenry (Publicconsultation 2016). Sometimes the critical stakeholders are targeted to ensure that their sentiments are taken onboard as their resistance could affect the success of the project. South Africa currently does not have a very robust public consultation regimen and this could explain the plethora of protests and juristic disputations when it comes to implementing projects.

## 3 METHODOLOGY

A research design is a general plan of how the researcher will go about answering the research questions (Vosloo 2016). In this research a mixed method design was utilized. The mixed method design entails both Quantitative and Qualitative research techniques. A mixed methods research design is a process for collecting, analyzing, and “mixing” both quantitative and qualitative methods in a single study or a series of studies to understand a research problem (Creswell and Plano Clark 2011). Creswel (2012) believes the assumption for this is that using both quantitative and qualitative methods, in combination, offer an improved understanding of the research problem and question than either method by itself. Since the study is meant to collate the experiences of the local populace in as far as their consultation is concerned and then compare that with the views of the representatives from the government agencies it was decided that this approach will be most suitable. Twelve government officials were interviewed as they have a deeper and intimate knowledge of the processes deployed. According to Turner (2010), Interviews offer in-depth information relating to participants’ experiences and viewpoints of a certain topic. However members of the community (50) were issued with a questionnaire since most of them were not educated and they did not know the process of the project’s implementation and the community leaders (4) were interviewed as they on the other hand, were in constant interaction with the projects’ implementers. SPSS software was used to analyze the responses to questionnaires. On the other hand Thematic Analysis method was used to identify, analyze and report on patterns (themes) within data for interviews (Braun and Clarke 2006). The results from the two approaches were compared to make sense of the different sentiments on how the projects were implemented.

## 4 RESULTS DISCUSSION

The interview with the officials and questionnaires with the members of the communities close to the project revealed inefficiencies with the current consultation regimen. The current approach is largely characterized by a lack of robust engagement with the communities using known and relevant structures in the communities. The general observations are reflected in Figure 1 and further expounded in succeeding sections.

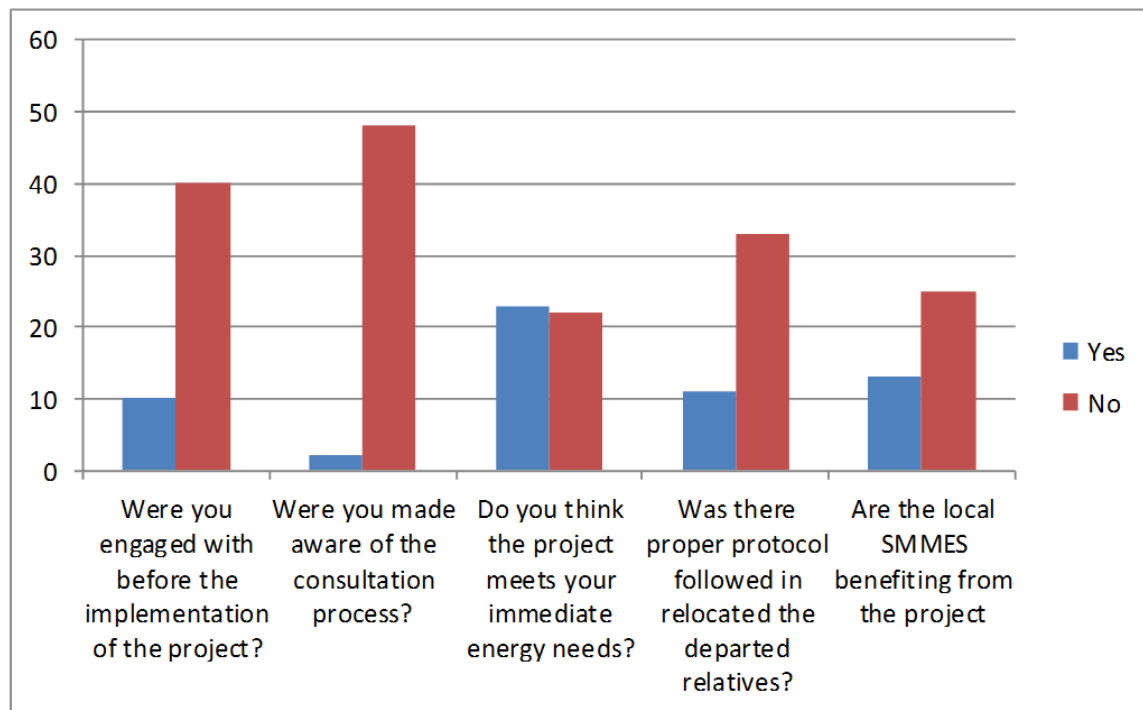


Figure 1. Responses from Medupi and Kusile local general populace.

#### 4.1. Superficial Engagement

The interviewed government officials claimed that they abided but the legislative stipulations in that they advertised on the national papers for a period of six weeks to solicit any concerns by the local communities with the regards the implementation of the projects. It does not appear as if there was any concern that no responses were had from the communities concerned. Some members of the communities heard about the projects but the source was not from the formal channels.

#### 4.2 Legislative Vagueness

It was observed that legislation itself is very vague on critical matters of who is the local community. There are no provisions to compel the officials to engage the stakeholders especially the critical stakeholders whose protest could stall the implementation process. Besides the advertisement of the impending implementation of the project the consultation approach is very much left to the discretion and wisdom of the officials. Most members of the local communities claimed they were not directly engaged with; and this led to a lot of protests about a number of things they wanted to be clarified like why the locals were not given first preference in getting jobs and the sourcing of semi-skilled foreign workers (Thai welders, riggers and pipe fitters). It transpired from the interviews with the officials that the pressure to get started did not afford them with enough time to train the locals. The local leaders for their part were only told towards the end each process just to inform them but not to solicit their opinion per se.

### **4.3 Lack of Psychological Contract with Communities**

The weak engagement processes were identified as the source of the protests slowing down that pace of construction on site. The critical issues that are normal with such projects of giving employment preferences to the local communities, and upskilling them were not dealt with properly and the discontentment that followed led to protests. There were also complaints from the local small businesses about poor communication, in alerting the locals about the business opportunities in areas such as catering for staff, transport and general building sub-contracting. Some of these opportunities were given to outsiders leading to disquiet among the locals who was demonstrated through rolling protestations. This is all because some members of the community did not feel that they are a part of these projects. This lack of ownership which is sometimes called psychological contract led to lack of support for the projects which in the end stalled progress because of the protests. The officials once again for their part claimed they did all they could do to notify the local business people of the opportunities available in the project, using popular platforms like radio, print media and government publications. It appears that direct engagement could have been more productive.

### **4.4 Lack of Cultural Sensitivity**

Another issue that directly emanated from poor communication and engagement with the local community was the issue of the relocation of the gravesite that was on the demarcated site for Medupi project. Although there was no disrespect in the way the remains were handled, the community was aggrieved because certain rites had to be performed before the remains were relocated as according to their beliefs this could negatively affect them and the success of the project in the future. This failure to appease the dead who are culturally still considered to be part of the community fueled the already tense relations. The officials were not aware of the proper protocols to follow and the local leaders were not contacted on time to give proper guidance but the misunderstandings were later dealt with, allowing for the necessary performance of the requisite rituals.

### **4.5 Political Pressure**

The officials and experts involved in the projects admitted that more could have been done much better, had there been enough time to go through all the normal process of the implementation of projects of that magnitude. Their work however was made much harder by the immense pressure from the politicians to start the projects, as the rolling power blackouts at the time were leading to political embarrassment. Apart from that, the start of the projects was also used as a campaigning tool for the upcoming local and national elections, so there had to be observable action on site which left little room to maneuver except to concentrate on hard engineering challenges on the project without expending too many resources on the social issues.

## **5 CONCLUSION**

As South Africa battles to deal with the infrastructural backlog it appears as if mega projects are going to be the norm for some time. The few that have been implemented should be used as a stepping stone to improve the implementation of these schemes in such a way that the community at large seems to be taken seriously. This general observation speaks to the current legislative framework with regards to public consultation which needs to be revamped to be on par with international best practices. The current legislation does not encompass cultural sensitivities and it is not prescriptive enough to enforce particular approaches by the implementing government

agencies. The current political pressures on implementing mega projects where the visuals associated with the implementation of the projects purely for political mileage, appears to put the plight of the local communities on the back burner, is detrimental to a proper psychological contract with the general populace. The lesson learnt is that the projects are not purely about engineering, and the other experts like cultural experts should be regarded as critical members of the team to avoid angering the local communities who are supposed to be the custodians of the project. It was observed that superficial engagement is as good as no engagement at all and there has to be diligence when pursuing this exercise. The protests that delay projects due to public discontentment could partly be attributed to a superficial public engagement. Although these are the first of the many mega projects to be implemented in South Africa, it is hoped that the lessons garnered will be instructive in implementing mega projects in the future.

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