



References:

19/4/4/1/BS1– Saldanha Steel (Pty) Ltd (Air Quality Management)

18/2/3/2023-2024 (Development Facilitation)

Attention: Mr Tumelo Mathulwe

WSP Group Africa (Pty) Ltd
Building 1, Maxwell Office Park
Magwa Crescent West
Waterfall City
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1685

gld.pp@wsp.com

Dear Sir

COMMENTS ON THE VARIATION OF THE ATMOSPHERIC EMISSION LICENCE FOR THE SALDANHA STEEL (PTY) LTD STEELWORKS ON FARM 1132 (PORTION 2 OF FARM YZERVARKENSRUG NO. 129, PORTIONS 8 AND 13 OF FARM YZERVARKENSRUG NO. 12, AND A PORTION OF FARM NO. 195), SALDANHA BAY (WCDM REF: WC/WC/020)

1. The email notification of 17 March 2023 regarding the variation of the atmospheric emission licence ("AEL") for the Saldanha Steel (Pty) Ltd ("Saldanha Steel") steelworks, the Department's acknowledgement of receipt of the notification and request for the electronic copy of the Atmospheric Impact Report ("AIR") sent via email on 20 March 2023, and the Atmospheric Impact Report and redacted Application Form received via email on 22 March 2023, refer.
2. Thank you for the opportunity to provide comments on the application for the proposed variation of the AEL that was granted to Saldanha Steel in terms of the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004) ("NEM: AQA"). It is understood that Saldanha Steel, a subsidiary of ArcelorMittal South Africa Limited ("AMSA"), has an existing AEL that is valid until 01 March 2024, which allows for the bulk handling of 2 832 000 tons per annum of lump ore and iron ore pellets, as required for the steelmaking process. Saldanha Steel has been in care and maintenance since 2020 and there are currently no operations occurring at the steelworks site. AMSA has investigated alternatives to enable Saldanha Steel to return a portion of the facility back to economic productivity along with job regeneration at the site. Saldanha Steel intends to establish a logistics hub to store, handle and export the permitted quantity of iron ore. The licensing authority, West Coast District Municipality ("WCDM") has confirmed that the AEL for Saldanha Steel does allow for the handling of

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iron ore; however, this is for the steelmaking sector, and not for the export sector. Therefore, to commission the proposed logistics hub, Saldanha Steel is required to apply for a variation of its AEL. The AIR assessed two scenarios: establishing a logistics hub process without the steelmaking operation (Scenario 2) and establishing a logistics hub process with the steelmaking process (Scenario 3). The AIR states that at no time will both logistics hub processes occur simultaneously; it will either be Scenario 2 or Scenario 3.

3. Please find the Department's comments on the AIR compiled by WSP Group (Pty) Ltd dated October 2021.
4. Directorate: Air Quality Management – Ms Nokulunga Goqo / Mr Etienne Roux (E-mail: [REDACTED])
 - 4.1. The AIR indicates that the Saldanha Steel facility has an AEL (reference number WC/WC/020) as the existing steelmaking facility triggers the following listed activities in terms of the *List of activities which result in atmospheric emissions which have or may have a significant detrimental effect on the environment, including health, social conditions, economic conditions, ecological conditions or cultural heritage* published in Government Notice ("GN") No. 893 dated 22 November 2013 (as amended) in terms of section 21(1)(b) of the NEM: AQA, 2004:
 - 4.1.1. Category 4: Metallurgical Industry: Subcategories 4.2, 4.6, 4.7, 4.8, 4.11 and 4.12.
 - 4.1.2. Category 5: Mineral Processing, Storage and Handling: Subcategories 5.1 and 5.2.
 - 4.2. The variation of the AEL being applied for, is for the inclusion of storage and handling of bulk materials, notably iron ore, for export through the Transnet Port Terminals at Saldanha Bay.
 - 4.3. The following comments are offered in terms of the AIR:
 - 4.3.1. Page 20 states that *"The Steel Meltshop may operate on Scrap only as an input material to produce steel"*. Furthermore, Table 3-3 of the AIR and condition 6.1 of the AEL indicate the use of scrap and steel scrap as raw material used in the steelmaking process. However, Subcategory 4.21 (Metal Recovery) of GN No. 893 of 22 November 2013 (as amended), which is indicated as *"The recovery of metal from any form of scrap material by the application of heat"*, is not included as one of the triggered listed activities. Clarity is to be provided regarding the applicability of the Subcategory 4.21 for the existing Saldanha Steel facility. The WCDM should be engaged in this regard.
 - 4.3.2. Page 22 states that: *"Importantly, at no time will both of the above Logistics Hub processes occur simultaneously; it will either be Scenario 2 or Scenario 3"*. This statement appears to contradict Scenario 4 (a cumulative assessment of Scenarios 1 and 3). Clarity is requested in this regard.
 - 4.3.3. The AIR does not provide any indication of where scrap is kept at the facility, nor the stage of the process flow where the scrap is used. Clarity is to be provided in this regard.
 - 4.3.4. The PM₁₀ 24-hour concentrations are predicted to exceed the 24-hour average National Ambient Air Quality Standard ("NAAQS") past the Saldanha Steel fence-line, extending towards the north.
 - 4.3.5. Maximum fence-line concentrations for PM_{2.5} and PM₁₀ are predicted to exceed their respective NAAQS.
 - 4.3.6. Scenario 1 (Saldanha Steel steelmaking operations only) indicates that the non-residential standard for dust is predicted to be exceeded on the northern fence-line of the Saldanha Steel facility.

- 4.4. Please note the following requirements for any facility of this nature:
- 4.4.1. Best practice measures intended to minimise potential air pollutants on-site are to be implemented to reduce emissions to the surrounding environment; and
- 4.4.2. All Minimum Emission Standards relating to all listed activities in terms of section 21 of the NEM: AQA, 2004 that are triggered, must always be complied with.
- 4.5. This Directorate has the following comments, noting that the final decision rests with the licensing authority:
- 4.5.1. Clarity is to be sought from the licensing authority regarding the applicability of Subcategory 4.21 to Scenario 1 and the implications for the AEL variation application.
- 4.5.2. The predicted exceedances in respect of PM_{2.5} and PM₁₀, as well as dust fallout rates, and the possible impacts that such pollutants may have on the receiving environment, are not acceptable. In this regard, the AEL variation application is not supported, without the implementation of appropriate mitigation measures at Saldanha Steel, to ensure that the NAAQS and dust fallout rates are not exceeded. The applicant is to address this with the licensing authority.
- 4.6. The Directorate notes the WCDM's letter dated 23 March 2023 as addressed to the applicant, regarding the Municipality's stance with regards to the storage and handling of ore or any other material with the potential to generate fugitive dust.
- 4.6.1. It is understood from the letter that any facility applying for a new AEL, or a variation of an existing AEL, for the introduction of the storage and handling of ore or any other material with the potential to generate fugitive dust, must ensure that such ore and/or materials are stored and handled within an enclosed warehouse or structure that will contain fugitive dust and prevent it from escaping into the receiving environment. The letter further states that *"Based on the stance taken by the West Coast District Municipality and the information provided, the West Coast District Municipality does not support nor can consider this application."*
- 4.6.2. Given the above, the Directorate herewith encourages the applicant to engage with the WCDM, to find a suitable way forward to address this matter.
- 4.7. The abovementioned comments/recommendation do not pre-empt the outcome of the AEL variation application. No information provided, views expressed and/or comments made by this Directorate should in any way be seen as an indication or confirmation that additional information or documents will not be requested; or of the outcome of any application submitted to the licensing authority.
5. Directorate: Development Facilitation – Ms Adri La Meyer (Email: Adri.LaMeyer@westerncape.gov.za; Tel.: (021) 483 2887):
- 5.1. The findings of the Tier 3 modelling undertaken for the AEL variation application indicates a few exceedances of PM₁₀ and PM_{2.5} concentrations at some receptors during the steelmaking process (Scenario 1).
- 5.2. During both processes for the proposed logistics hub (Scenarios 2 and 3), PM₁₀, PM_{2.5} and dust fall rates would be below the relevant standard.

- 5.3. However, should the logistics hub and steelmaking facility operate simultaneously (Scenario 4), it was noted that marginal increases and exceedances of the NAAQS for PM₁₀ and PM_{2.5} concentrations could be expected. The predicted exceedances are expected due to existing steelmaking activities, rather than the logistics hub.
- 5.4. For Scenario 4, dust fallout rates are predicted to remain well below the residential standard at all residential sensitive receptors, although fence-line fallout rates are predicted to exceed the non-residential standard. Increases in dust fallout rates (average of 0.34%) are deemed to be negligible with the addition of the logistics hub. The predicted exceedance of fence-line dust fall was deemed to be due to existing steelmaking activities.
- 5.5. In general, air quality impacts associated with the logistics hub are predicted to be low, with little impact on the receiving environment.
- 5.6. Should steelmaking need to restart and operate simultaneously with the proposed logistics hub, overall contributions from the logistics hub under the cumulative scenario (Scenario 4) are deemed as low. However, the predicted exceedances associated with the steelmaking process cannot be ignored, and as such, the recommendations proposed in the AIR should be considered for implementation by Saldanha Steel, and as a condition of approval for the AEL variation application by WCDM.
- 5.7. Due to the technical nature of the AIR, this Directorate is unable to provide further comments on the AEL variation application.
6. The applicant is reminded of its "duty of care" prescribed in section 28 of the National Environmental Management Act, 1998 (Act No. 107 of 1998") which states that *"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"*.

The Department reserves the right to revise initial comments and request further information based on any or new information received.

Yours sincerely

pp HEAD OF DEPARTMENT
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING

Letter signed by:

Thea Jordan

Director: Development Facilitation

Date: 26 April 2023

Mathulwe, Tumelo

From: Adri La Meyer <[REDACTED]>
Sent: Thursday, 26 September 2024 23:58
To: ZA - GLD - PPOffice
Cc: Andre Oosthuizen; Taryn Dreyer; Keagan-leigh Adriaanse; Ayesha Hamdulay; Erica E Isaacs; Arabel McClelland; RABIA REYNOLDS; Etienne A Roux; Joy Leaner; DEADP AQM
Subject: RE: 41103718 - ARCELORMITTAL SOUTH AFRICA (PTY) LTD: APPLICATION FOR AN ENVIRONMENTAL AUTHORISATION AND ATMOSPHERIC EMISSION LICENCE AMENDMENT FOR THE PROPOSED LOGISTICS HUB AT SALDANHA STEEL FACILITY, WESTERN CAPE
Attachments: 2023 April 26 - VARIATION OF AN ATMOSPHERIC EMISSIONS LICENCE FOR THE SALDANHA STEEL PTY LTD STEEL MILL.pdf; Notification of Application for Renewal of Atmospheric Emission License – Saldanha Steel (Pty) Ltd, Yzervarkensrug, Saldanha – Ref No: WC/WC/020 ; 41104890 - Saldanha Steel - Logistics Hub - AEL Variation Application Withdrawal; 41103718 - ARCELORMITTAL SOUTH AFRICA (PTY) LTD: APPLICATION FOR AN ENVIRONMENTAL AUTHORISATION AND ATMOSPHERIC EMISSION LICENCE AMENDMENT FOR THE PROPOSED LOGISTICS HUB AT SALDANHA STEEL FACILITY, WESTERN CAPE

Dear WSP PPP Team,

Your email of 26 September 2024 refers.

The Department provided comments on the AEL renewal and AEL variation applications during 2023. Whereas the AEL (WC/WC/020) for AMSA was renewed, the application for the variation of the AEL for the proposed iron ore logistics hub has been withdrawn. I note from your website that only the Draft BAR for the EIA application is available for comments. The AIR is available, but not the AEL Variation Application Form. Can you please indicate if the AEL variation application will be separate from the BA application?

Note that the Directorate: Development Facilitation will not collate comments from the various directorates within the Department seeing that our Development Management Directorate is the CA for the BA application. You are therefore requested to engage directly with the relevant directorates within the Department for their comments. We will however collate comments on the AEL variation application once it is available for comments.

Kind regards,
Adri

Adri La Meyer
Directorate: Development Facilitation
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Should you not be able to contact the numbers above, please call +27 (0)21 483 4091 between 07:30-16:00.

From: ZA - GLD - PPOffice <gld.pp@wsp.com>

Sent: Thursday, September 26, 2024 16:19

Subject: 41103718 - ARCELORMITTAL SOUTH AFRICA (PTY) LTD: APPLICATION FOR AN ENVIRONMENTAL AUTHORISATION AND ATMOSPHERIC EMISSION LICENCE AMENDMENT FOR THE PROPOSED LOGISTICS HUB AT SALDANHA STEEL FACILITY, WESTERN CAPE

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Dear Stakeholder,

AMSA working with Bidfreight Port Operations (Pty) Ltd (BPO and after referred to as Bidvest). Bidvest, was formed in 2004 as a result of the merger of two of South Africa's leading portside companies, Rennie's Cargo Terminals and South African Stevedores. These two companies previously existed independently within the Bidvest stable. BPO is one of the largest providers of in-port logistics in South Africa with operations in every commercial cargo port in South Africa. BPO is a member of the Bidvest Group Limited and forms part of the Bidvest Freight division. BPO specialise in warehousing, stevedoring, transportation and terminal operating services.

The proposed Logistics Hub triggers the need for a Basic Assessment. The competent authority for this application will be the Western Cape Department of Environmental Affairs and Development Planning (DEA&DP). The Basic Assessment process includes a statutory stakeholder engagement process. As part of this engagement process, the public and previously identified stakeholders are notified of the proposed Logistic Hub project and all stakeholders are invited to comment on the draft BA Report.

For more information on the Proposed Project, please see the attached Background Information Document (BID).

Kind regards,



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