

RBN ReviewState of the RBN Address

HM Kgosi: Leruo Molotlegi

15 February 2018

State of the RBN Address (2018)

ABBREVIATIONS AND ACRONYMS USED

CoGTA The Department for Cooperative

Governance and Traditional Affairs

HSDS Health and Social Development

Services

LPG LiquefiedPetroleumGas

MOGS Mining Oil and Gas Services

NGO Non-Governmental Organisation

PGMs Platinum Group Metals

PULA Population and Use of Land Audit

RBA The Royal Bafokeng Administration

RBED Royal Bafokeng Enterprise

Development

RBI The Royal Bafokeng Institute

RBH Royal Bafokeng Holdings

RBN The Royal Bafokeng Nation

RBS Royal Bafokeng Sport

SA South Africa

SARS South Africa Revenue Service

SETA Sector Education and Training

Authority

SOE State-owned Enterprise

SPLUMA The Spatial Planning and Land Use

Management Act (16 of 2013)

SETSWANA TERMS USED

Kgosi King

Kgosana Clan head, Ward leader

(plural: dikgosana)

Kgotla/Makgotla Clan, ward

Lekgotla Meeting

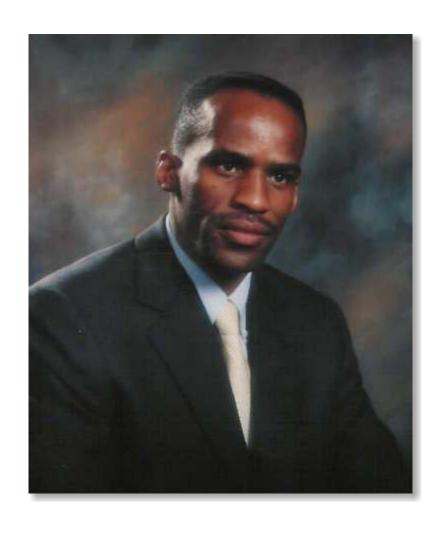
Kgotha-Kgothe Big meeting; our bi-annual

community-wide gathering

Metshameko "Games"

CONTENTS

Abbreviations and Acronyms Used	2
Setswana Terms Used	2
Greetings	5
Global snapshot	5
The South African Economy	8
The Bafokeng Nation in 2017	9
Our Income and Fiscus	10
Investments	12
Institutional Highlights	13
Governing and Policy	13
Education	14
RBI	14
Lebone II College of the Royal Bafokeng	15
RBA	15
OPMO, Research and Shared Services	15
Health and Social Development	16
Public Infrastructure and Services	16
Land	17
Protective Services	18
Sport	18
Enterprise Development	19
Profle	20
Conclusion	21



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GREETINGS

Invited guests, ladies and gentlemen, we offer our warmest greetings to you. By joining us this morning, you grace us on the occasion of the thirteenth Official Opening of the Supreme Council of the Royal Bafokeng Nation.

It is our custom to set aside a time at the beginning of each year, for us to take stock of where we are as an organization, as a community, and as a nation. By assessing the world around us, the state of South Africa, and by reflecting on our own progress towards our goals, we can begin our year's work with clarity, purpose, and determination. Moreover, in the light of such outward and inward reflection, it is not uncommon for us to revisit the appropriateness of some of our goals. We call this process the RBN Review, and I would like to welcome you all as partners in our enterprise.

We begin by looking at the world in 2017. This we do from a global perspective, moving towards an assessment of South Africa, and then honing in on our own Nation and our key activities, achievements and challenges.

GLOBAL SNAPSHOT

We continue to live in interesting times. The pace of scientific advancement is so rapid, that many breakthroughs are beyond the comprehension of the common man. In 2017, new stars, moons and planets were discovered in several corners of the universe. On earth, several thousand new species of plants, animals and microbes were discovered, including new species of gibbons and orangutans. The World Wildlife Foundation reported that a new animal or plant species was discovered in the Amazon rainforest roughly every two days last year. Several significant fossils of dinosaurs and hominids were unearthed (such as the dinosaur Borealopelta), and new chemicals were synthesised (such as the first stable helium compound). We learnt about the first successful edits to the human genome, and in the world of computer science, the quest for artificial general intelligence accelerated rapidly.

All these discoveries will potentially impact us in the long run. For instance, workers at a Japanese insurance firm, Fukoku Mutual Life Insurance, have already been replaced by Artificial Intelligence systems, and such systems are reputedly already better than any human ever could be at certain tasks, such as making medical diagnoses, recognising faces, or playing chess. Gene editing may also soon allow for the eradication of certain hereditary diseases, which brings us ever-closer to the rise of so-called 'designer babies'. We are living in a world where science and conspiracy theory are increasingly indistinguishable.

Looking at the newspapers of the world, several events put people in deadly peril last year:

Natural disasters and severe weather increased, as Hurricanes Harvey, Irma and Maria devastated areas in the Caribbean – killing hundreds of people, destroying hundreds of thousands of homes, and causing many hundreds of billions in property loss. There were earthquakes in Mexico, Iran, Italy and China, all leading to the loss of human life.

Terrorism of various confessions reared in Mogadishu, Manchester, and Las Vegas, among other places, while ethnic cleansing appeared to take place among a minority group in Myanmar, with thousands killed.

The Middle East continued to be a place of upheaval. It witnessed the anti-Iranian powers, notably Saudi Arabia, the UAE and Bahrain, end ties, treaties and airways to Iranian-aligned Qatar. Saudi Arabia also appeared to recall the head of another sovereign state, ostensibly kidnapping the president of Lebanon, as they did with the president of Yemen. Moreover, the war of Saudi Arabia on Yemen continued; in this harrowing humanitarian disaster more than 200 000 people have contracted cholera, while Saudi Arabia has attacked Yemeni civilian farms and marketplaces, with very little international outrage. Furthermore, the murky proxy-conflict that is the Syrian war has also dragged on, painfully, and disastrously, especially for the civil population, and this continued the waves of migrants to Europe, seeking a better, safer life. Still in the Middle East, the US presence in Iraq and Afghanistan continues; and the USA dropped a 9 000kg bomb, with a blast radius of several kilometres, on the Afghan province of Nangarhar.

An area we have followed closely was the Korean peninsula, particularly given the sabre-rattling and verbal threats between the leaders of the USA and North Korea. The talk of nearing war kept the headline writers busy last year. Our reading is that this is increasingly a feud between two personalities, but that – hopefully – institutional forces will safeguard this from extending beyond a rhetorical show of force. In the meantime, there seems to be a measure of détente between the two Koreas themselves, a positive development.

RBN Review State of the RBN Address

We should note that 2017 was the year that bore the biggest number of cyber-attacks in history. There were incidents of malicious software programmes, such as ransomware and spyware, which attacked and knocked out hospitals, and extorted money from governments and ordinary individuals alike. In the wake of the US elections, there was also much talk about cross-border election influencing via malicious social media agents. Our dependency on computers and the internet is becoming an increasing vulnerability in our new interconnected world.

Closer to home, an event that will continue to resonate, and the impact of which is certainly not yet fully appreciated, was the removal of President Mugabe in Zimbabwe, and the installation of President Emmerson Mnangagwa. After more than three decades of rule, the people of Zimbabwe suffered cash shortages, a dearth of consumer goods, outbreaks of cholera, vanishing social services and unemployment estimated at 90%. One-and-a-half million Zimbabweans received food aid in recent years, and over four million have risked their lives to border fences and police, and some even to crocodile infested rivers, instead of remaining under a rule they regarded as repressive. We wish our Zimbabwean friends the best, and hope that this chapter in their history brings peace, respect for the law, and an economic turnaround.

Of course, it also bears mentioning that our local economy draws heavily on Zimbabwean labour, and the long-term consequences of repatriation, if this happens, are yet to be discounted.

In East Africa, the Kenyan opposition leader inaugurated himself as "the people's President" in January 2018. This will likely deepen party and ethnic divisions in an important African economy.

In South Africa, we had a tumultuous year. Eighty-two people lost their lives on the mines of our land—this is the official statistic, and excludes the deaths and turf wars of informal miners, which would increase this figure substantially. An astonishing one-and-a-half thousand people died in road accidents over the 2017 festive season. Elsewhere, poor administration and outright heartlessness turned to tragedy when the National Department of Health ostensibly caused the death of 143 patients in the Life Esidimeni disaster.

The ongoing drought in the Northern, Eastern and Western Cape continues to worsen, with few fully appreciating the effects on agriculture and tourism – not to mention on basic livelihoods. The so-called "day zero", where municipally reticulated water is shut off, is fast approaching.

Another ongoing saga is the concern around "state capture". Courtesy of a trove of leaked emails, we learned with alarm in 2017 of the deeply embedded character of the Gupta family's influence over just about the entire SA publicsector.

Finally, in December, the ANC's elective conference delivered a divided, if not compromised, leadership structure. The task laying ahead of the ruling party is immense, and of course, we sincerely hope to see swift action in ending state capture, the dislodging of the deeply entrenched corruption in our state apparatus, mending the poor management and performance of ministries (such as Basic Education) and enterprises (such as Eskom) – hopefully all leading to a recovering of our economic growth, and to a consolidation of our democracy.

THE SOUTH AFRICAN ECONOMY

We pay special attention to our country's economy, the fortunes of which have a direct bearing on our ability to perform our services.

Amid an opaque and uncertain global outlook, which includes a "new normal" of a relatively low platinum price, we note that many of our country's economic challenges – which continued unabated in 2017 – remainself-inflicted.

The South African economy performed poorly last year, eking out a mere 1% in real GDP growth. The underlying indicators point to significant systemic economic weaknesses:

- First, unemployment rose to a 13-year high of 27.7% in early 2017. Youth unemployment surged to 38.6%, with people between 15 and 34 accounting for nearly 60% of all unemployed citizens.
- Second, regarding the fiscal outlook, the management of government finances has become more challenging, following the removal of Finance Minister Pravin Gordhan in March. Public debt, already at over 52%, is now expected to rise by another 10% of GDP over the next 4 years, pushing up debt servicing costs and reducing the sustainability of public finances.

- In line with these developments, two major rating agencies downgraded their estimate of the government's ability to meet its obligations, to 'non-investment grade' over the past year. This reflects the view that weak growth, fiscal slippage and political challenges weigh on the sovereign's ability to service debt.
- Fourth, in 2017 business confidence remained worryingly low this is, of course, the product of political uncertainty, plus concerns over rating downgrades and deterioration in our fiscal metrics.

The positive trends are that inflation remained fairly stable, which allowed for the lowering of interest rates; however, this has had a limited impact on growth.

If the country is to avoid falling deeper into a low growth trap, key policy decisions must be taken, including the resolution of governance issues at SOEs and the implementation of measures to boost investor confidence, which will go some way towards reassuring rating agencies.

The effect of all this is that, one the one hand, our investments have yielded low growth, and that, on the other, the profitability of companies remained mostly stagnant. This, combined with the abovementioned depressed platinum price, means that many local enterprises have felt the crunch in 2017, not least the local platinum mines. Among others, Sibanye has embarked upon a major savings drive, and Impala was forced to announce the imminent retrenchment of several thousand employees. It goes without saying that such factors influence us here in Phokeng very directly indeed.

THE BAFOKENG NATION IN 2017

Here in Bafokeng, as well-documented in the Population and Use of Land Audit 2016/2017 report (or PULA), we find ourselves with the same effects of slow economic growth, high unemployment, a low skills-base, depressed morale and significant levels of crime. Similarly, fromour counselling services, we've noted a concerning increase in patients presenting with family problems followed by post-traumatic stress due to unemployment, gender-based violence and substance abuse.

We cannot pretend to be unaffected by such dire conditions. However, this does not mean we should simply despair. Instead, as Bafokeng, we know that the only way to build

a future is to have the purpose of a Vision and a Mission, and to go by the guidance of a plan and a strategy. Based on our own Vision 2035, and led by our Plan 35, we have gone some way over the past two years to facilitate the development of individuals, the community, and to do so sustainably, always seeking to grow the local economy.

On this note, I encourage you to engage with the first public draft of a booklet called Vision 2035, which we release today. This booklet provides an overview of the work-in-progress that is Plan 35.

For the benefit of our guests: Plan 35 is our over arching development strategy, complete with annual targets in every dimension of what we do, in order to achieve our Vision. Plan 35 is our roadmap to the Bafokeng we dream about.

OUR INCOME AND FISCUS

We turn briefly to an overview of the Royal Bafokeng Development Trust.

Given the over-reliance on platinum in the earlier years of the Trust, and the challenges that the economy and the platinum sector experienced since the 2008 global financial crisis, the Trust did not receive any dividends for the 2013 and 2014 financial years. The RBN however managed to provide social services to the community on a fairly uninterrupted basis, mainly as a result of the Trust's cash cover policies. Had the RBN continued its 2013 spending trajectory, our budget deficit would have widened, leading to the RBN having to borrow just under R1.2 billion cumulatively to render our normal gamut of community services.

However, as a result of the – sometimes uncomfortable – fiscal interventions undertaken over the last couple of years, the RBNDT closed the 2017 financial year with a declining but healthy cash balance of over R1.2 billion. Interventions included working with Royal Bafokeng Holdings to reinstate a minimum dividend from 2015 onwards; by tightening our spending belts by a cumulative R1.5 billion (in nominal terms) over the past 5 years; and by consistently outperforming the set benchmark for portfolio growth over the past 5 years.

Regarding our budget for 2018, the Supreme Council approved a gross budget of R616 million for the financial year towards the socio-economic priorities of the RBN.

It is unfortunate however that included herein is R42 million which has to be set aside as a VAT liability – a matter with which the Trust have taken issue. Nonetheless, the net budget is R574 million of which 57% goes towards human development activities – such as education, health and sanitation; 28% towards community development – such as cultural and heritage activities, community policing, and our courts; and 15% is earmarked for activities promoting sustainability and growth – including job creation, agriculture support and the protection of our land.

Just for the record, the RBA ran over 180 projects and programmes in 2017. We had 10000 youth benefitting from RBA interventions, RBI supported the education of 24 000 learners, our health services directly or indirectly supported the health of over 80 000 people. Our Emergency and Medical Rescue Services took 1 200 calls in 2017, and our Protective Services team responded to just under 3 000 community alerts, tips and phone calls. The household waste of 90 000 people was collected once a week, and 120 000 people enjoyed water we reticulated. We do a lot, with a little.

Returning to the VAT matter, last year the South African Revenue Service issued assessments disallowing the RBA to claim VAT deductions of over R121 million from 2012 to 2016 financial years. This came as a shock to us, because the Trust has been engaging SARS since the onset of the new legislation. When the legislation changed on 1 July 2006, and municipalities became the only recognised "local authorities", we lodged our objections, explaining that our funds are spent in the service of community development (including infrastructure projects), in other words, we assist the state in fulfilling its role, and we should be able to claim back the VAT from such expenditures. SARS seemed to see our side in this matter, allowing us to claim back our VAT every year. In fact, after we completed our claims, for the 2016 financial year, SARS issued us with a rebate of an additional R13 million. So it was unexpected when SARS now appeared to have gone back on their position, and have even imposed penalties and levied interest, suddenly taking our total potential liability to about R222 million. Together with other traditional communities, the RBN will continue with our objection and continue to persuade the National Government to review and change this legislation.

INVESTMENTS

Let us now look at the performance of our investments over the past year.

Royal Bafokeng Holdings, our investment company, is charged, together with the Trust, to ensure the long-term viability of the Nation. Their role is to return a sustainable dividend to the RBNDT, to grow our portfolio, and to manage the risks of the portfolio to protect against loss of capital.

We have gone through a year of consolidation and strengthening of the platform; the year presented the completion of the Neotel and renewable energy transactions announced in 2016 and the integration of these assets into our broader portfolio. These assets will add a defensive component to our portfolio, and increase the growth profile of our portfolio.

Our oil and gas infrastructure company, MOGS, successfully completed the construction of the Sunrise Energy LPG import terminal in Saldanha – an asset that is Africa's largest open-access liquid petroleum gas import and storage facility. MOGS also completed the purchase of and has been successfully operating the Ghana Petroleum Mooring System, firmly establishing MOGS as a key strategic player in West Africa.

Regarding the portfolio, RBH delivered a positive performance in 2017, relative to a strong 2016, with our Net Asset Value increasing by with our Net Asset Value increasing by 13% to R33 billion (unaudited). This performance was mainly driven by strong growth from our financials, infrastructure, property and telecommunications assets, however our mining assets underperformed due to persistently low PGM prices. The gross dividends received from investee companies increased by 3.4%, in a year-on-year comparison.

As mandated, RBH declared a dividend to the Trust during the period under review. They also managed to declare and pay an additional special dividend. I want to congratulate RBH on this, an excellent achievement given the present economic climate.

For RBH, the year ahead will focus on continuing the diversification strategy with a view to grow our property and infrastructure asset classes. Our focus on risk management and improving the resilience of the portfolio will mean that we will revisit our portfolio's leverage, too.

INSTITUTIONAL HIGHLIGHTS

The Royal Bafokeng Nation is a group of over 100 000 Setswana-speaking people, living on our ancestral land, in 29 villages and peri-urban areas. Our Nation also includes tens of thousands of Bafokeng living outside our borders. Each Mofokeng derives his or her status as Bafokeng via membership of one of our 72 Makgotla, or clans. Each clan is led by a hereditary leader, a Kgosana, aided by his wife and a team of Makgotla-based office-bearers. As a collective, the 72 traditional leaders constitute the Council of Dikgosana. We also have a body of elected and appointed leaders, which we call the Traditional Council. They are a group of 18 leaders, representing various regions in our Nation, who each serve for a five-year period. When the Traditional Council meets in plenary with the Council of Dikgosana, we call this the Supreme Council. This is the body that sets our policy directives for the Nation.

In turn, the policies are then executed by our administrative institutions, these are the RBA (the Administration), the RBI (Education), and the RBED (Enterprise Development). We now turn to highlights from our governing and policy institutions, before visiting each of the three administrative institutions.

GOVERNING AND POLICY

We went to the polls to select our traditional council last year. This process, politically and logistically challenging, was well run by the Governance Secretariat, and brought a new team of councillors—elected and nominated office-bearers—into our governance structures. We welcome our new team to these chambers, especially those attending this address for the first time.

Before the December recess, all of our new councillors were inducted into our systems, and brought up to speed on our policies and processes.

Two more points on governance in general. First: In a year with plenty of legislative debates, the most prominent was that of our new land policy – which we hope will be finalised in the next few weeks.

Secondly, we gave significant inputs at the CoGTA summit last year. This included our reservations about the proposed SPLUMA legislation, our VAT concerns, the ongoing case involving registration of trust land, and the levying of rates and taxes on our land. Our thanks to the teams involved herein.

EDUCATION

RBI

The first entity we survey is the Royal Bafokeng Institute, an institution that works to ensure improved, internationally benchmarked standards of education in our land.

One of the key goals for the year past was to improve the functioning of our highschools, and to see this reflected in the Matric results. Last year, our schools generally performed in line with previous results, but an achievement worth celebrating is the six distinctions achieved by Amon Keamogetswe Legase from Mmanape High School. This is very impressive indeed.

For education, 2017 was a whirlwind year. The RBI trained members of the school governing bodies in management, financial and administrative skills. They continued their programmes of teacher support, and also met with large groups of parents throughout the year. They rolled out IT infrastructure to four of our schools. For several years we have promoted Maths and Science development, and last year this was significantly bolstered by our partnership with Kutlwanong, an initiative driven by the Department of Education, and funded by Royal Bafokeng Platinum. In addition, Lanxess Chrome Mining supported the RBI by building a community library at Tshukudu High School, a project that will be completed this year.

Our year ahead reflects the broad range of educational needs in our nation. Pre-schoolers may benefit from the Ntataise Early Childhood Partnership, which has set itself the objective to develop a comprehensive early childhood development programme for all pre-school centres on our land. Similarly, our Akanyang partnership with North West University supports early childhood development programmes, specifically offering foundation phase and junior grade support to our young learners.

We will also seek to expand our "school-within-a-school" concept, by which mathematics and physical science is taught in our public schools, by a private partner (such as the RBI) who in turn employs the teachers and manages the curriculum and its delivery. Kitsong, our low fee private school, will prepare this year to allow for new schools, based on the same innovative model, to spin off from the main school.

Regarding post-school students, our Maile Construction Campus will be adding more programmes, and prepare to

take in an even bigger cohort of students. Our RBI-supported students at National universities will continue to be monitored and mentored by our teams, and we hope to launch our first university holiday programme in the Easter holidays this year.

In 2018 we will also continue our work towards accreditation as a Private Higher Education Institute, and towards our eventual vision of a university in Phokeng. This will be a monumental year for the RBI, and we wish them all the best.

Lebone II College of the Royal Bafokeng

Lebone continued their academic excellence in 2017, and for the 8th consecutive year, Lebone has achieved a 100% pass rate. The matrics of 2017 attained a 91% Bachelor Degree pass, a statistic that would be the pride of any school in South Africa. Last year we bade farewell to David du Toit, and we welcome Mr Melvin King as the new Executive Headmaster. Lebone's challenge for the year ahead, other than to maintain their excellent teaching and student environment, is to establish a viable endowment fund, capable of ensuring financial sustainability of the school in the long term. Other ancillary projects, such as keeping a record of our Lebone alumni, will also commence in the year ahead.

RBA

The Royal Bafokeng Administration is a collection of public benefit and commercial institutions, all of whom augment the work of the state in some shape or form, and who reports to the Office of Kgosi. I will now go over a selection of some of the units within the RBA, offering brief highlights.

OPMO, Research and Shared Services

The Operational and Performance Management Office's functions continued unabated in 2017. This remains one of our flag ship functions. Our project management tool, known as the OPMO system, is able to provide quick and accurate management information, this is something that is an excellent aid to executive decision-making, and it is one of the things that always impresses visitors to the Nation.

The Research team delivered the final work on the PULA census and household survey, among several other research projects. We will draw upon those results for years to come.

Our Shared Services functions performed most satisfactorily in the period under review. Not withstanding a staff decrease due to the restructuring at the end of 2016, plus a significant budget reduction; the teams from finance, procurement, HR, IT and legal services acquitted themselves well in 2017.

Health and Social Development

The Bafokeng Health and Social Development Services works to augment the state's provision of basic health and social services within the Royal Bafokeng Nation.

Regarding primary healthcare, our clinics offered their broad range of services in 2017, and all five of the clinics that were assessed on our land were listed as "ideal clinic compliant" by the Department of Health. Regarding social development, the team sustained their multiple interventions in family care, youth development, support for people with disabilities as well as for orphans and vulnerable children. HSDS continued their counselling services and casework, their therapeutic services, marriage enrichment programmes, their trauma debriefing programme, and play therapy training. We also launched Ja o jale, a social relief programme, where beneficiaries are encouraged to establish vegetable gardens.

The list of services rendered is impressively long, but we should also mention that the HSDS increased the footprint of the Province's Household Food and Nutrition security programme last year. Almost 16 000 people were fed through this noble initiative. HSDS is also playing an active role in the monitoring of the present Listeriosis outbreak in the country. Congratulations on a fine year, and good luck for the expansion and maintenance of these services in 2018.

Public Infrastructure and Services

Our Public Services Management team is mandated to render public works on our land, with particular reference to roads, water, sanitation, and refuse removal. This is also the team responsible to build our partnerships with government regarding major infrastructure and municipal services.

The most important development for the past year is our newfound urgency for change in the status quo. The sole value of our Memorandum of Understanding with the Rustenburg Local Municipality is in establishing workable solutions to public service challenges, something that

has hitherto been unsatisfactory. To this end, we called to life a task team to look at spatial planning and land use management, and another team to work on the long-overdue water services question. The water negotiations involve several aspects – the RBA obtaining some equivalent of the rights of a water service provider, the RBA being able to recover some of the costs related to providing water to indigent households, plus the RBA participating in the planned Pilanesberg South Water Bulk Line to the benefit of our residents. We look forward to seeing lasting solutions very soon.

Impala Platinum assisted us with the construction of Makgotla offices in Lukaanda multi-purpose centre in Kanana, plus the construction of certain roads in Luka and elsewhere (with a value of R20 million) in 2017. Impala's subcontractors plan to begin with a bulk water supply line to Luka this year, and to build and improve sports fields in Luka and Lefaragatlhe, too.

Looking ahead, we are planning several road repairs in North and North East regions, and will upgrade the Lefaragatle pump station this year.

Land

Land remains core to our identity. It is the link between our past, present and future. It is also our land ownership that allowed us to craft a development strategy and to diversify our asset base over time.

The rise of mining activities on our land also brought many companies, pollution, and non-local workers into our area. This influx meant service challenges (such as water provision to 50 000 more people, or squatting), social challenges (such as alcohol abuse and crime), and environmental challenges (such as dumping and littering). One of our core task remains to protect our land – we are custodians of the inheritance of the next generation – and this means protect it in the courts, protect it environmentally, protect it from illegal allocations by our own leaders, and develop it sustainably.

Additionally, with mining in decline, it is important for us to reinvigorate our agricultural practices. Agriculture is a significant diversifier and source of employment, not to mention a source of food security.

From the ANC's elective conference last year, we note the party's policy shift, which proposes the expropriation of

private land without compensation to land owners. This is an important and probably necessary policy, but is simultaneously a threat to social stability, employment and food security. We will monitor this closely, and respond, as we always do, to protect our land.

Protective Services

Our protective services presently consist of the Reaction Force (our crime fighting unit), the Land Unit (who protect our land as our primary asset), and the Guarding Division.

In 2017, we attended to an average of 260 crime incidents monthly, which implies slightly more than 8 crime incidents dealt with every 24 hours. We conducted 78 joint crime fighting operations with the SAPS, a notable feat.

The Land Unit conducted 2114 Land Unit operations and land related monitoring activities last year. Our operations varied from the demolition of illegal structures, to the serving of notices to land trespassers, to destroying expired foodstuff in tuck shops and general dealers.

For the year ahead, we plan to respond swiftly, boldly and professionally to every crime situation, every land abuse incident, and proactively anticipate and disarm potential conflict situations on our land.

Sport

Royal Bafokeng Sport is our entity coordinating various sporting codes, at varied levels, throughout the RBN.

As always, our administrators managed a broad range of community awareness drives, training and education activities, leagues and competitions, and the equipping of our coaches. On many occasions, our athletes did us proud – allow us to mention just a few.

- Moving through the ranks of school, club and district levels, 45 of our athletes competed at the National cross-country championships finals.
- Six of our elite track and field athletes are currently ranked in the top 5 in South Africa in their respective codes. Moreover, one of our young sprinters, Phemelo Matlhabe, won a scholarship to the Iowa Community College, where he will compete in the US college leagues.
- On the basketball court, we held an immensely successful junior NBA league, once again - we received

- the Discovery National award for our basketball development successes, and our own girls' basketball team won the all-Africa basketball festival.
- For netball and football, we had over 800 children participate in the Metshameko primary-school leagues, and over 4000 people attended the final sheld in Macharora.
- We had another excellent goal ball season, where our disabled sportsmen participated provincially.

The year ahead will see us expand our commercialisation drive, potentially consolidate some positions in the face of a small budget, and keep serving the Vision of an active and sporting Nation. In particular, the successful sale of Platinum Stars football team means that the team will continue to be based in Phokeng, and a joint venture between RBN and the purchasing company is being explored. This will allow us to rethink the role of sport in our Nation. Among other things, I feel that our community sporting coaches are not fully utilised - they have direct access to our youth, and can be so much more than just sporting mentors. I hope to soon announce plans for our coaches to be upgraded toward youth life coaches. Simultaneously, the funds formerly used to support the professional football team can now be channelled toward several sporting facilities, the announcements of which are to follow in due course.

Enterprise Development

Our last entity is the Royal Bafokeng Enterprise Development, an institution charged with coordinating development programmes for Bafokeng entrepreneurs and to support our locally-based start-ups.

Last year, the Phoka shop opened at the Royal Marang hotel. This is a cooperative owned by the artistic and creative community to allow market access to their products. The RBED's online database of SMMEs was expanded, and now boasts 1244 SMMEs – this database allows us to position companies according to their readiness for market exposure, and to link local companies with appropriate opportunities.

In 2017 the RBED held a series of SMME development workshops, and sent several SMMEs to trade fairs. We managed to leverage R9.7 million from ABSA bank, which went to support start-ups including SMMEs in the bulk materials handing, engineering and transport sectors.

In cooperation with other RBN-entities, they also continued strategic partnerships with mining companies. Among others, Sibanye-Stillwater made donations to the Thekwane Poultry and the Photsaneng Bakery SMMEs, and Lanxess Chrome Mining assisted with the construction of a garment facility in Photsaneng, which will continue this year.

2018 will see increased participation through the "youth business accelerator project", which includes a training programme supported by Cola-Cola SA, as well as a "new venture creation programme" which is funded by various training authorities (SETAs). We will also work for an increase in procurement from local SMMEs by corporate stakeholders. As ever, we hope to have our local start-ups growing, becoming sustainable and profitable.

PROFILE

Now that we have discussed our entities, I want to contextualise all this by picking up the example of an exemplary Mofokeng. Lesedi Rakgokong is a role model entrepreneur, who lives in Phokeng. He was born into the Kgotla ya Lemenong, and attended Bafokeng High School. His folks moved to Mafikeng, and he matriculated in Mmabatho.

Trained as a teacher, he also became an entrepreneur: first in the telecommunication space, but soon moving into drilling and mining supplies, and beyond. He also decided to return to Bafokeng. Today, Lesedi runs Bafokong, a manufacturing company that builds and maintains electronic motors, starters, pumps, switches and transformers. He also manages Bakgaka Investments, which is one of the region's foremost paint suppliers and distributors. He has a significant share in Denoko, a company manufacturing drill bits, and he owns 30% of Bafotech, a winch manufacturing and repair company.

Lesedi is not just about producing good products for local mines, he is about world-class excellence. His winches are found in mines from Peru to Australia, and his drill bits are used in mines from Zambia to Russia. He employs over 300 people in the North West province. He also habitually sends RBED a note to alert them of vacancies as they come up.

Lesedi lives in Kgale, here in Phokeng. This means, on a household level, that his family's water is reticulated from the Lefaragatle pump station, and, as I'm sure the RBA team would be quick to point out, that his household refuse is removed once a week, every week, by one of our subcontractors, plus, of course, that our protective services guard his street, as they do the streets of all our villages.

By way of putting the briefest of spotlights on this Mofokeng, I am thus not only pointing to a specific person which I think we should celebrate; but I also make the general point that Bafokeng-led education, services, enterprise support, and our makgotla structures all play a real and active role in the lives of ordinary and extraordinary Bafokeng, wherever they are. Our broad range of services all work for the good of our people.

CONCLUSION

Speaking of extraordinary people, in the year ahead, I will reintroduce the Bafokeng Excellence Awards – an event last held in 2009. We are a Nation with much to celebrate, and it behoves us to seek out exceptional examples of those who exemplify excellence in our midst. Bravery, community building, business success, sporting prowess and exemplary governance are all noble, and men and women who stand as examples to us in these fields should enjoy our recognition. More details about the Excellence Awards will be disseminated soon.

I wish every person joining us today, and every department and entity success for the year ahead. Let us all work to improve our land, our community, and ourselves in the year ahead.

Thank you.