

ABBREVIATIONS AND ACRONYMS USED

HSDS	Health and Social Development Services
LPG	Liquefied Petroleum Gas
MOGS	Mining Oil and Gas Services
NGO	Non-Governmental Organisation
PGMs	Platinum Group Metals
PIC	The Public Investment Corporation (of South Africa)
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
SMMEs	Small, Medium and Microenterprises

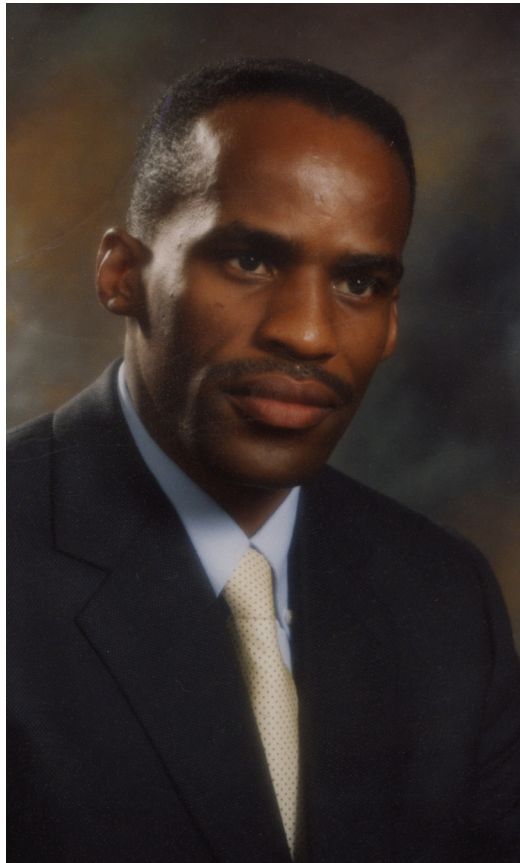
SETSWANA TERMS USED

Kgosana	Clan head, Ward leader
Kgosi	King
Kgotha-Kgothe	Big meeting; our bi-annual community-wide gathering
Kgotla	Clan, ward
Lekgotla	Meeting
Metshameko	“Games”
Phepafatso ya Motse	“Community Clean-up”

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Time to Lead



HM Kgosi: Leruo Molotlegi

GREETINGS

To all of you who have graced us with your attendance, I offer my humble greetings and a most gracious welcome to this, the twelfth Official Opening of the Supreme Council of the Royal Bafokeng Nation.

CONTEXT

Our Official Opening is our annual ritual of reflecting on our community, its dreams and its challenges, and also an opportunity to look around us at our country, our African continent and the globe. On this occasion we celebrate accomplishments, we seek the lessons from our difficulties, and we unite ourselves around the tasks that await us in the year ahead.

As a small community with big plans, we recognize the critical role that leadership, rigorous planning, and the innovative and sustainable use of our resources play in our development agenda. Today, we recommit ourselves to these principles, and remind ourselves that peace and prosperity do not happen by themselves; they are the products of our hard work, patience, and perseverance.

GLOBAL AND LOCAL

I begin our Review by looking at global events. This is for two reasons. First, it is important to remember that many things happening here in South Africa are happening in the rest of the world as well. For example, political corruption or climate change. Second, we often experience challenges, the roots of which lie elsewhere. The global economic downturn, which was caused in the developed world, is very much a part of our local economic environment today.

Our painful downsizing process in late 2016, which I will say more about in a minute, was a direct outcome of a depressed commodities market, and this is, in turn, a direct outcome of the global financial climate. Our mines, from which we draw revenues, were of course impacted by the commodity down-turn. For better or worse, we live in a highly interconnected world. We can look after our cattle, but we cannot make the rain fall.

Tragic Events

2016 was a year of senseless and agonizing loss of human life in many parts of the world, nearly all of it at the hands of fellow humans. If only out of compassion for the suffering taking place around the globe, I'd like to mention a few tragedies that deserve our thoughts and prayers. The war in Syria raged on for a sixth year, painfully and needlessly. The razing of the city of Aleppo and other ancient Syrian cities, achieved nothing for either side in the conflict, but caused human suffering on a staggering scale. Clashes in South Sudan have returned Africa's newest country to a state of violent conflict and human devastation. Here in South Africa, we still see violent crime – especially murder and rape – at exceptionally high levels. We live in a violent country. For comparison, South Africa and the USA have about the same numbers of murders – roughly 50 every day – while America's population is more than 6 times as big as ours.

In terms of extremist activities, terrorists continued to target civilians across the world in 2016. There were attacks in Iraq, Pakistan, Turkey, Egypt, Belgium, France and Germany, among others. We also saw related groups murder civilians in Nigeria, Niger and Kenya. South Africa should not consider itself immune from these threats, even if we have been spared from major incidents to date.

Natural disasters abounded in 2016, many of them related to the effects of climate change. There were fires, floods, droughts, earthquakes and famine; our hearts go out to their victims, both near and far. Starting in January last year, much attention was given to the Zika virus' spread, which caused birth defects in approximately 3000 babies, and killed around 300 people. Such

diseases understandably get a lot of coverage, but we should remember that malaria killed 400 000 people over the last year, and more than 90% of these deaths occurred on our continent. HIV/AIDS and related complications killed 1.1 million; and TB, a staggering 1.6 million. Malaria, HIV and TB are preventable and treatable conditions, and the Rustenburg region represents some of the highest HIV and TB incidence anywhere in the world. Of all new infections of HIV throughout the world, 10% happened in South Africa last year. These are matters of grave concern to us and have a direct impact on us right here in Phokeng.

Notable Events

On a brighter note, Brazil hosted the 31st Summer Olympic games in the period under review. For us as Bafokeng, this was a particularly memorable event – we are immensely proud of the achievements of Jacob Rozani and Tsholofelo Thipe who were part of the South African team. They are excellent exponents of Royal Bafokeng Sports, and fine ambassadors for Phokeng.

The ratification of the Paris Climate agreement was also a high note of 2016. China and the US, who together emit 40% of global pollution, both signed. Years of negotiations resulted in an agreement which promises a more sustainable future, and may help to save the planet's ecosystem. At the same time, global CO₂ levels reached the highest concentration since anytime in human history in 2016, a reminder of the timeliness of this accord.

The Economy

On the economic front, we must acknowledge that the global economy is yet to fully recover from the crash that occurred in 2008. Economic growth has been negligible in most developed and developing countries alike. Commodity prices, including oil, are depressed, meaning that several African power-houses, like Nigeria, but also oil-dependent nations such as Angola and Mozambique, had to cut public expenditure. Angola was forced to diminish government spending by more than 50% in the period under review.

Low commodity prices strike very close to home for us. In January 2007, Platinum's value was 1150 then-US dollar per ounce: in January 2017, an ounce was worth around 990 US dollars. That is roughly a 15% drop, ignoring the effects of inflation. As a result, mining companies are closing unprofitable shafts, people are losing their jobs, and our community is reconfigured, with the population declining in several of our villages. Royal Bafokeng Platinum postponed its erstwhile production ramp-up dates, and as a community, we have received declining dividends from some of our commodity-based investments.

In terms of slow economic growth, I want to mention the various student protests that have struck our tertiary education sector over the past year. “Fees must fall”, “Outsourcing must fall”, and other parallel protests were a cry for help by South African youth who are struggling to make ends meet in a society that seems hostile to their needs and interests. We do not endorse the mindless and opportunistic violence that has accompanied these protests, but we understand that young people want a better future and a fairer dispensation, and that their dim future prospects will continue to manifest in such desperate actions.

Failures of leadership

On the matter of corruption, we have seen several major revelations in the past year. At the International Federation of Association Football, or FIFA, corruption cases cost several people their positions, and caused the organization serious reputational damage. At a larger scale, the Panama Papers leak revealed how wealthy individuals, not to mention corporations, hoard funds illegally in tax havens, avoiding their legal dues and make a mockery of systems of financial governance. Elsewhere, corruption charges toppled leaders in Brazil and South Korea.

Sadly, South African politics is mired in many of the same issues. We should all be concerned about the culture of corruption and cronyism that appears to have taken root in our public and corporate cultures.

Resurgent Nationalism

Another global phenomenon, not new, but perpetually in the headlines in 2016, was the trend of politicians mobilising support around Nationalism, by appealing to peoples’ fears. In the US elections, instead of discussing ways in which to best raise living standards, voters were primed to fear a vast catalogue of would-be bogeymen, which emboldened many to denigrate and scapegoat immigrants, religious and sexual minorities, women, indigenous people and people of colour more generally. The United Kingdom’s Brexit campaign was similarly based on fear, rather than fact. Politicians in France, the Netherlands, and all over Eastern Europe, as well as in South-East Asia, are motivating their causes by humans’ basest instincts. Perhaps here, I can point out a difference between South Africa and the world. Yes, we did have municipal elections in 2016 – but generally, the opposition parties, as well as the ruling party – kept their campaign rhetoric to policies and plans. This is a point of pride, and I think we should celebrate this.

A call to leadership

In my view, the world is now at a critical juncture. We have entered a time when our decisions – on the economy, ecology and the nature of the nation-state – will have enduring effects for human development, influencing generations to come.

This points to the critical factor of leadership. Amid vast technological and biomedical advances, our species is nevertheless in crisis. The broad trend of hatred and destruction of humans is unfolding relentlessly, in different ways and in different places, via xenophobia, institutionalised racism and sexism, new barriers and new apartheid – often tucked under the dignified, but dangerous, cloak of patriotism.

We should revisit what leadership ought to be.

First, leaders are those who unite, not divide. Instead of appealing to our impulses of difference, leaders should be seeking to reconcile groups. The concept of *Botho*, an African invention, is also universally understood as the principle of leadership. Service, justice, and the understanding that our collective destinies are bound together: these are universal and timeless truths.

Second, leaders are those who seek fairness. Cultures of cronyism and corruption are insidious precisely because they distort the allocation of resources. They make things unfair. This also links up with the questionable allocation of public goods, which we see in our own country, but also globally. The effects on an unfair system is not just that some people are enriched disproportionately, but that governments or organisations are unable to respond adequately to human need – whether this is a poor education system, or a Zika virus threat. Public health experts like to say that outbreaks are inevitable, but epidemics are optional – referring to the importance of good health systems and swift responses to new threats.

Thirdly, leaders take action. Much of the bloodshed in Syria may have been avoided by sensitive but decisive leadership actions. I believe the same could be said for many other challenges, abroad and at home.

Allow me to take this further. When I talk about leaders, I do not confine this to presidents and CEOs. I maintain the position that we are all called upon to be leaders. As Bafokeng pursuing the path to Vision 2035, together with those who share our values, I call on you to lead. We need to work with people who appeal to the best in humanity, not to our fears and divisions; people who seek to better the conditions of the worst-off in society, not to preserve the privileges of the well-off; people who find ways so that all might benefit, and most importantly, people who develop their followers to also become leaders.

BAFOKENG IN REVIEW

I now look at the past year in the life on our community, and of our organisations and entities. Our starting point is our new vision and mission, Vision 2035. Our Vision also guided the crafting of the developmental roadmap to our future – which we call Plan ‘35.

Vision 2035 reads: “To be an innovative and relevant traditional African community in a changing world”. Our relevance in a rapidly changing world will be pursued through bold and courageous leadership, and by doing things so uncompromisingly well that other leaders will have no choice but to take notice of how we do what we do. I refer to us as a collective, the Bafokeng family and friends, but understand that we all have to individually contribute to the achievement of this vision. If you are a gardener, make certain that your garden is well kept; if you are a teacher, strive to give your pupils the finest education possible. Achieving the Vision is everybody’s business.

As I have noted, Plan ‘35 is a detailed roadmap developed from Vision 2035, and helps us fill in the details of how to achieve Vision 2035. To this end, I am pleased to announce that the Vision 2035 booklet, a compact guide to our plans and targets for the next two decades, will be launched by the end of quarter one of 2017. The booklet should be seen as a living document: our plans are constantly updated and improved – because relevance relies on never-ending innovation.

Before I turn to the various institutions that oversee the running of the RBN, let me say something about two major issues that occupy a lot of our current thinking and planning: water and land.

For years, we’ve grappled with the water issue: people in Bafokeng villages have a right to clean and reliable water, but because the Royal Bafokeng Administration is not a water service provider, we have not provided water in a sustainable manner. In 2016, through the provisions of our Memorandum of Understanding with the Rustenburg Local Municipality, we made progress towards being granted rights as a *de facto* water provision authority, which will help us enormously in this regard.

Land is another sharply contested topic, in South Africa, as is the case around the world. Our successes as a nation, both recently and in times past, can be partly attributed to how we understand our *collective interests*, and land is central to this. We believe that collective ownership, fair and equitable use of land, where use is secured and protected, is beneficial to the community as a whole.

Our position on land has always been clear, whether via Supreme Council, Kgotha-Kgothe or the national courts. As most of you here today will know, under apartheid, our land was mostly held in trust, under the racist assumption that so-called “natives” were

not able to develop land, and thus should not own land. As for all black-owned land, the Minister of Native Affairs was made trustee over it, and was empowered to decide and sign-off on land-related matters, on behalf of communities. Our democratic government discarded the old ministries and departments in 1994, but essentially preserved the legal arrangement where government trusteeship remained in place, which then fell to the Ministry of Agriculture and Land Affairs. However, as trustee of our land, but also as an arm of government, this trusteeship has been conflicted in its dual roles, as we have seen on several occasions. When decisions about royalties, mineral rights, mining licenses, or the securing of servitudes for government parastatals (such as Eskom) has to be made, government is conflicted between the role of a trustee, who must to act in the best interest of the beneficiaries, against the role of setting a policy directive, which often may not be to the benefit of the supposed beneficiary. Furthermore, given the deeply ingrained and systematic corruption in our government, this arrangement is a serious liability for any community. Due to this untenable situation, we have turned to the courts to remove the Minister as trustee over Bafokeng land. I trust this makes it clear why we believe that to remove the apartheid-instituted arrangement is a more sustainable and just arrangement than the present situation. For the record, we have received much cooperation, albeit with mixed signals, from government in this regard.

BAFOKENG INSTITUTIONS

I now turn to our various Bafokeng institutions, and offer a bird's eye-view of their accomplishments, under trying circumstances, as was the case in 2016.

Royal Bafokeng Administration

The Group COO's office oversaw the PULA census project of 2016, countless interventions in staff relations, stakeholder relations, community relations and general strategy. But the one achievement of this office I want to highlight is its oversight of the restructuring. With a mandate from Council, the Group COO's office undertook this painful but necessary process and preserved the dignity of every single staff member, while keeping the long-term interests of the organization in full view. For this, I give thanks.

Of course, we should hasten to add another group of often-unacknowledged heroes – the people of Shared Services. These are the public servants who make everyone else's work possible. The Finance department, Procurement, Human Resources, IT and Legal have unglamorous but vital tasks, including tasks such as running accounting and audits, broadband implementation, regional Wi-Fi rollouts, tender adjudications and ERP implementations. Thank you for your work in 2016.

Similarly, our Public Services Management team had a busy year, distinguished by preparations, negotiations and planning.

In the year ahead, the GCOO and newly established Centre of Excellence will play a critical role in ensuring that our plans are aligned to the vision, and that our projects and programmes are executed to plan. We will also enhance our relationship with the RLM, especially in finalising the Water Services Intermediary agreements, and cooperating in the development of a new Integrated Development Plan, making sure that Plan '35 stands at the centre of our dialogues on development, and that the Spatial Masterplan guides our discussions on municipal infrastructure. Furthermore, we will vigorously pursue a fair and transparent "payment for services" agenda on our land.

Education

Turning to education, the Royal Bafokeng Institute (or RBI) is charged with making a leading contribution in the development of our population. This means improving and expanding educational opportunities.

In the period under review, the RBI started prioritising Early Childhood Development, providing ECD Centres with resources as well as educating the parents of Grade R learners.

On the other end of the school spectrum, from our 7 Bafokeng public high schools, 779 out of 922 matrics passed their senior certificates. That is a pass rate of 84%, an improvement on last year's 82%. However, our aim is not simply to see better results, year-on-year; we are far more concerned about the crucial capabilities, life-skills, and actual employability of our youth. In order to lift overall school performance teacher-training workshops took place throughout the year, and School Governing Bodies were also engaged to improve school management. These programmes will continue in 2017.

Lebone II, College of the Royal Bafokeng, returned excellent results last year. Their matrics achieved a 100% pass rate, and 98% of the class achieved tertiary qualifications. Seventy two percent of the class achieved at least one distinction, with the top achievers being Murray Hines (with 8 distinctions), Monkagedi Segatle (with 7 distinctions), Erin Hines (with 6 distinctions) and Rebonegele Diale and Abdullah Nana (with 4 distinctions each). The excellence that Lebone continues to achieve must now begin to filter down to our other schools. We extend our appreciation to the headmaster and his team of dedicated teachers.

Kitsong is a low-fee private school which was established in late 2014 and is now in its 3rd year. Kitsong continues to show very promising results. There are 120 students enrolled in grades 8-10, and these numbers are set to grow as the school continues to develop. A set target of 90% of the teaching staff being Bafokeng was also achieved last year.

Akanyang is a centre for the development of new teachers which was established at the beginning of 2016. It is a collaboration between the RBI and the North West University, and has 52 foundation-phase students enrolled at present. Our target is to produce 100 new teachers by the year 2020, most of whom we hope to employ within Bafokeng-based schools.

Our training academies for construction, pre-engineering, hospitality and nursing are also starting to produce impressive cohorts of certified professionals. On top of that, the RBI financially supported 179 students, studying at a range of universities, via our student loan scheme.

In 2014, the RBI, supported by RBH, initiated a mathematics programme for Grade 10s at Thethe High. The programme, which aims to supplement maths lessons in order to improve scores and increase learner interest, is run by three Bafokeng Maths graduates. Thapelo Diale, Gordon Sekano and Sam Lebabo have spent three years with the cohort that have just written matric. The outcome? At Thethe, one learner achieved 92% in mathematics and seven learners achieve marks above 70%. The overall maths results at Thethe High has improved significantly, and we draw encouragement from this initiative.

The RBI was established in 2007, and 2017 marks its 10th anniversary. The Institute has a dedicated team of people operating in a tough and evolving political environment. With all the dedication and resources spent over the last 9 years, the inputs and outputs are not commensurate, and this is primarily so because RBI does not control the public schools on Bafokeng land. The RBI is therefore forever at a disadvantage in promoting educational reform, and this has to change.

For context, the South African national average for mathematics in matric last year was 30.8%. In the North West province, of the standard 10's who were enrolled in 2014, only 39% passed matric two years later – and this after the barriers for failure were lowered once more. This is, simply put, unacceptable. We cannot deny that our national education system is failing our students – and in this case, taking leadership means that we have to take decisive action.

Thus, the RBI will fundamentally reconsider its role in education in 2017. I envision us changing our operating model, moving instead to an arrangement of education in parallel to public school system, with the RBI becoming a Higher Education and Training accredited institution. We have seen the future in Kitsong and Akanyang – it is time to take up the challenge from a new direction. We look forward to working with our new CEO at RBI on this journey.

Arts and Culture

In the realm of arts and culture, our team has worked hard this year to preserve our Bafokeng heritage and foster a strong sense of history among our Nation.

In an eventful year, we enjoyed another pilgrimage to Kimberley, honouring the arduous journey and labour of our forefathers, who walked to Kimberly in order to earn money to help buy our land from the then-Transvaal Republic. We owe our forefathers a great debt of gratitude for their sacrifice, and we will honour them with monuments in the coming years.

In 2016 we produced a documentary film, capturing oral histories, entitled *Loeto la Bafokeng*, which will soon be released to a larger audience. Our digital archive has expanded significantly last year; and the Arts and Culture fund also sponsored local artists to participate in various cultural festivals.

From 2017 onwards, this department will start publishing books on Bafokeng heroes and heroines.

On a relevant tangent: let me add an example of how a humble beginning can yield a big impact, when a programme is driven with dedication towards a vision. A ballet programme was launched in 2015, and within two years this initiative was already rolled out to

11 schools, with 130 students dancing. This small team have put together productions, taken up intern teachers, and achieved 107 passes in various ballet exams. Two of their products are Botle Mphulanyane and Calvin Mathekga. Both these dancers achieved the South African Dance Association's Grade 6 – which is at step 10 out of a 15 step process towards achieving the “advanced performance” certificate – and they did all this in a mere two years. Botle plans to become a full-time ballet teacher in Phokeng, and Calvin intends to take dance training elsewhere into rural South Africa, and into the rest of the continent. In 2017, the dance academy will teach 150 students, and their interns will be dancing in the Royal Academy Major International Ballet exams. We will also investigate in earnest the establishing of a School of the Arts in Bafokeng, with feasibility studies to be commissioned soon.

Enterprise Development

Looking at local economic development, Royal Bafokeng Enterprise Development, or RBED, is a Public Benefit Organisation mandated to maximise local entrepreneurs' participation in the local economy.

RBED has maintained their programmes to train Bafokeng-based start-ups in business administration and basic accounting. This organisation, with extremely modest resources, managed a database of 940 SMMEs, and successfully held promotional events, including farmers' markets and sending SMMEs to trade shows and expos.

Over the last two years, the RBED's focus has shifted towards youth-owned SMME development. Last year, enterprises owned by Bafokeng youth successfully bid for RBN-related business valued at R5.3 million, and much more than that from negotiated relationships with local companies. We have also had a slight increase in procurement spend by our resident mining companies from Bafokeng suppliers.

For 2017, our enterprise development team will negotiate significant start-up loans for our SMMEs, and continue to enhance their role in empowering Bafokeng youth.

Health

We now move on to Health and Social Work, which is steered by the Health and Social Development Services department, or HSDS. This team is mandated to monitor and enhance the health and welfare of our community.

In 2016, HSDS maintained its broad offering of social and health-related services, including top-up services in government clinics, counselling to various categories of victims, and providing

assistance to the aged, people with disabilities, and orphans and vulnerable persons. HSDS also oversees our emergency medical response services, which returned a steady income in 2016. HSDS moreover expanded its involvement in the government's Community Nutritional Development Centres programme, which provides food to needy families in and around our area.

In 2017, we will continue to augment the Department of Health, which is charged with delivering safe and accessible primary healthcare for all, but we will start in earnest to plan for to commercialise certain health services. In order to be sustainable, HSDS will develop income-generating activities, while ensuring that the vulnerable members of our community are looked after appropriately.

Sport and Recreation

Turning to sport, Royal Bafokeng Sports, or RBS, which is charged with promoting and coordinating sport in the Bafokeng region, continues to perform well. Our six sporting codes – football, athletics, rugby, netball, basketball and martial arts – are anchored by mass participation programmes that seek to get all 25 000 school-going children on Bafokeng land involved in some structured physical activity. Putting a spotlight on RBS's successes, the *Metsameko* leagues were launched last year, which had our school-going youth participate in a most successful football and netball competition.

In Basketball, our ongoing partnership with the US National Basketball Association, or NBA, continues to help girls and boys develop sound values and healthy bodies. One should remember that, six years ago, Basketball was not one of our sporting codes. In this short time, together with our partners, we built courts and infrastructure, created teams, introduced coaches and a league, and in essence set-up the ecosystem for this new code to thrive. At present, it may not be a stretch to say that we are the pre-eminent Basketball community in SA. We now need to ensure that this system can both unearth and nurture talent – but moreover, we must ensure that we monetise our advantage. This means that we should investigate in earnest opportunities around hosting events, sponsorships, viewing rights, and so forth.

Other notable achievements by RBS include road-shows for disabled sports, the hosting of fun-runs, and medals and podium finishes, too many to mention, at school, regional, provincial and national level.

Away from the mass participation programmes – we also have our sporting elites. The Platinum Stars have delivered many pleasing results, and, of course, our athletic Olympians, as mentioned earlier, made our collective hearts swell with pride in 2016. We

should also acknowledge Phemelo Matlhabo's participation at the International Association of Athletics Federations' junior world championships, and Kabelo Mohlosi, who represented South Africa at the Confederation of African Athletics' Championships.

Our plans for sport echoes those for health: We will continue to grow our developmental programmes, but begin to commercialise our facilities and monetise sports as a whole. There are many prospects in this regard and 2017 will see us develop a comprehensive plan to achieve this objective.

Youth development

Our youth face many challenges: tough socio-economic conditions, poor education, limited employment opportunities and many destructive distractions – alcohol, drugs and crime. We cannot change these conditions easily, but we should not shirk our responsibility to help create pathways for our youth.

Almost all Bafokeng Institutions and entities work to improve the future of our youth, but I want to pay special mention to RBED and HSDS's involvement here. Our Youth Lekgotla was held in late 2016, a forum in which all sorts of youth dynamics are discussed. We also launched a promising youth entrepreneurship programme, a collaboration between Telkom, Coca-Cola Beverages SA, an NGO called the Socio-Economic Future of SA and the RBED. We will watch this development with interest.

Every job created on our land supports an average of 4 people directly, and many more indirectly. Moreover, employment is not only a matter of economic provision, it is a matter of personal dignity. I want to encourage all involved in seeking opportunities for our youth to never lose sight of the importance of their task.

Security

While we do not usually highlight the work of Protective Services, we make a notable exception for the year under review.

Maintaining community safety is a tough task. Our Security Services team attends to roughly one crime incident every two hours, every day, every week, every month, around the clock. I wonder how often we recognise the diligence with which these men and women serve our vision, amid a relentless and unforgiving climate.

Last year we also re-launched the Land Unit, now working under the ambit of Protective Services. This team has the specific mandate to protect our land. We commend the team on the excellent work so far, and wish them success in 2017.

Infrastructure

Our various infrastructure and maintenance teams, charged with overseeing the building and repairing infrastructure, had an especially busy year.

The regular work of fixing road and storm-water drains, continued unabated. In 2016 we also oversaw the building of the Luka-Mogono bulk water line, the upgrading of the Lefaragatlhe pump-station, and water reticulation extensions in line with the infrastructure Masterplan.

Seasonal work required the efforts of our respective agriculture and land teams: the fixing of fences and maintaining of firebreaks. Additionally, 90% of our cattle pens are now provided with windmills and crush-pens.

For these teams, 2017 will mean delivering superior services with fewer staff and resources. Looking after our land, our citizens' wellbeing and maintaining our assets are crucial tasks that never end. Additionally, we will enhance our monitoring role in the full extension of water and sanitation to every village on our land.

Investments

Let me now turn to our investments, steered by Royal Bafokeng Holdings, or RBH, who are mandated to ensure sustainable dividends to the Nation, to grow and diversify our portfolio, and to protect the wealth of present and future generations of Bafokeng.

Our portfolio delivered a strong performance in 2016, with our Net Asset Value increasing by around 15.5% to R28.9 billion amid major changes in the macro-economic environment, including the United Kingdom's Brexit and the US elections. Our combined financial services holdings continued to show consistent growth at 12.4%, while platinum holdings performance also recovered, growing at 36.7%. Following the strong performance of the overall portfolio, our gross dividends received increased by 19.1%, when compared to 2015. This helped RBH to meet our dividend commitment to the development trust, the sole shareholder in RBH.

In 2016 we disposed of some of our Implats shares, to advance our plans at reducing long-term debt. Similarly, we continued our diversification strategy, investing in defensive and high growth sectors, such as infrastructure, property and energy.

To this end, we entered into an agreement with Liquid Telecom, a privately owned pan-African telecoms group, in order to acquire Neotel, a communications network operator. In this partnership, RBH has committed to take up a 30% stake in Neotel. We

also entered into an agreement with Aveng, an infrastructure, manufacturing and mining company, in order to acquire their equity interests in renewable energy infrastructure. Our two property investments with Zenprop UK and New European Property Investment have seen RBH expand its footprint in the property sector, and into European geographies.

On the energy and energy-infrastructure fronts, Mining Oils and Gas Services (or MOGS) concluded a transformational deal that saw the PIC acquire a 49% equity stake in the company. This partnership enhances MOGS' competitiveness as a world class provider of mining services and Oil and Gas infrastructure beyond South Africa's borders. Our vision is to be the preeminent provider of mining services and oil and gas platforms in Africa.

MOGS, together with others, invested over R4bn in Saldanha towards two other projects: Sunrise Energy, an open-access Liquefied Petroleum Gas import and storage facility; and Oiltanking MOGS Saldanha, a large oil storage and blending facility. Oiltanking Services, MOGS's partner in this venture, is a leading global independent storage partner for oil, petroleum products, chemicals, biofuels and gases.

Offshore, MOGS has also made an investment to acquire 60% in a Ghanaian development company that will develop the Pumpuni Terminal. This project involves the construction of receiving and storage facilities for LPG and oil. It also includes an export terminal and an offshore single point mooring capability for exports.

As for the year ahead, RBH will continue seeking long-term strategic assets in countercyclical industries, in South Africa and abroad, approaching these with our characteristic qualities of negotiating for mutual value. More specifically, the initial development of the commercial crude oil terminal facility in Saldanha Bay will be completed in 2017. While the end economic slump is uncertain – our plans are not.

CONCLUSION

Guests and partners in our Vision: as you have heard today, we have two watchwords for the year ahead. This first is innovation. For us to achieve our Vision 2035, we have to prioritise innovation, because what we aim to achieve as a nation has not been done anywhere else before. We have to embrace and stay ahead of world changes: be it in the fields technology, education, infrastructure, or in pioneering ways of monetising our assets. How do we do this? We will drive innovation through allocating resources to research and development. This is how we will study the current and future needs of our nation and how we will remain ahead of the curve. We view research and development as a strategic pillar to the development of our nation, stretching to the building of world class infrastructure, expanding community and social services, planning a better education system and rethinking our health services.

Our watchword is leadership. We said that leadership unites, leadership seeks fairness and compassion, and that leadership takes action. A final initiative which I want to announce for the year ahead, one that includes these qualities, and which requires the cooperation of everyone working to the Nation's organisations and entities, is that of the Bafokeng Phepafatso ya Motse – our Bafokeng Community Clean-up. I envision a monthly out-in-the-streets presence, where we get together for a few hours, literally roll up our sleeves, and beautify our land. This is not merely to lead by example in picking up litter, but will act as a tangible manifestation of our pride, collective ownership and mutual cooperation. More details will follow soon.

So to end, I hope you will all agree with me today – the various Bafokeng departments have delivered excellent work in 2016, amid much turbulence. An address as this cannot acknowledge every team – but we certainly appreciate every effort that was made to serve our community and advance our Vision. From the various functionaries of governance, our service delivery teams, through to Moumo and our commercial entities: a heartfelt thank you for the past year's work.

Moreover, I hope you also agree that our plans from the year ahead are bold, tough, and most importantly, practical and part of our commitment towards the vision.

Honoured guests, colleagues, we have our work cut out for us. Uncertain times, times *such as these* call for leadership. My commitment to you is that we, as Bafokeng, will keep leading, in every field, in our innovative and uniquely African way. I invite you

to take up this challenge with me. Bafokeng history teaches us that amidst hardship and dashed expectations, Bafokeng make plans, we innovate, we each do our part, and we rise to the occasion – we will lead.

Yes, 2016 was a tough year. I therefore remind you all that sometimes dark clouds, storm clouds, imply not only that there is thunder and rough winds ahead, but also, the blessing of rain. May it rain in 2017.

Thank you.

