



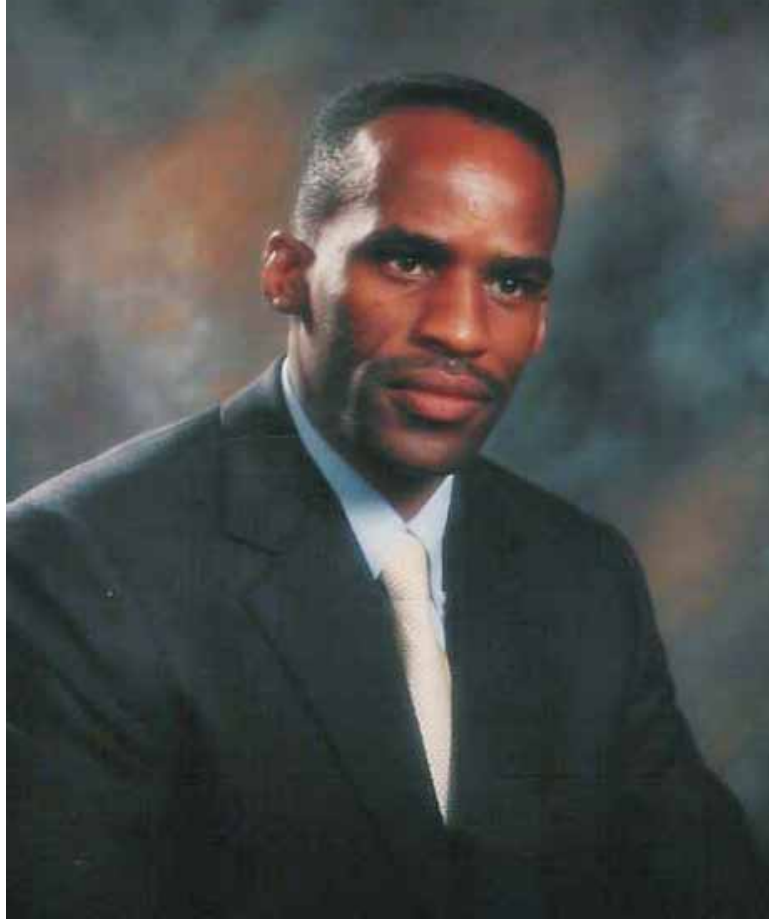
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RBN REVIEW

STATE OF THE RBN ADDRESS
18 FEBRUARY 2010

HM KGOSI: LERUO MOLOTLEGI

Accountable to the Future...



Delivered by *Kgosi Leruo Molotlegi*
on the occasion of the Opening of Supreme Council,
Royal Bafokeng Nation, 18 February 2010

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1. INTRODUCTION

Welcome to 2010! We have been waiting in anticipation for this moment to arrive for several years now. “2010” has come to represent the first soccer world cup hosted on African soil. “2010” has also come to signify the Bafokeng community's place in South Africa. The Royal Bafokeng Nation is proudly preparing to host six matches in the upcoming FIFA 2010 World Cup in the only community-owned stadium in the tournament, the Royal Bafokeng Sports Palace. In addition, the Royal Bafokeng Sports Campus has been selected to host one of the most celebrated teams in the world of football, the formidable England squad. Who would have imagined that a quiet rural community like ours would play a central role in such a historic event? It's hard not to smile, thinking back to the days when my predecessor Kgosi Lebone II spoke about his dream of building a world-class stadium on the old football ground behind Matala Middle School, and of seeing global sporting events taking place there. Like many of my forebears, his vision for the Royal Bafokeng Nation is coming true before our eyes, and we should be both humbled and inspired by the incredible foresight of these people.

The official opening of the Bafokeng Supreme Council is the occasion where we consider national and international trends as they impact on our plans and goals, where we reiterate our commitments to our community and our country, and where we celebrate what it means to be Bafokeng, in the past and the present, as well as in the future.

So let me take this opportunity to focus your attention, not on the immediate milestone in front of us—the soccer tournament that starts in 112 days—but on another year that has become a symbol, a year that stands for the goals of the Royal Bafokeng Nation, Vision 2020. I inherited the role of Kgosi in the year 2000, and 2020 admittedly felt very far off. And yet suddenly we are halfway to that milestone. At the end of the first decade of the twenty-first century, and the start of the second, it is important to review our plans, to reflect on what it will take to achieve the “self-sufficiency” we speak about in our Vision, and to reaffirm the trademark of Bafokeng leadership: taking the long view and having the courage to plan for the needs of generations unborn. It is for this reason that I've chosen the theme “Accountable to the Future” for the RBN Review this year.

Vision 2020 talks of “continued promotion of respect and enhancement of our culture and economic self-sufficiency.” What does this mean in practical terms, and what steps must we take to reach that goal? It will require us, as leaders and professionals, to plan carefully, to continue learning and growing, and to stay the course when trends, temptations, and distractions threaten to derail us.



2. THE BIG PICTURE

I believe that it is important to contextualize all of our issues, challenges and plans in terms of what's happening elsewhere in the country and in the world. Why is that? Why analyze events in Haiti or Copenhagen or Dubai? I get this question frequently, and the answer is very simple. Bafokeng is not an island. We are not politically independent, economically isolated, or socially unique. We breathe the same air, live within the same atmosphere, and trade within the same economic environment as people all over the globe. What happens in Asia or America has ripple effects here, and by the same token, the choices we make here can affect the life of someone living in China, France, or Mexico. Let me offer an example. The subprime mortgage crisis in the U.S. real estate market started making headlines in 2007, although it was rooted in events that began back in the 1990s. Between June 2007 and November 2008, Americans lost more than 25% of their net worth. Financial markets in the world's largest economy were affected, and one of the United States' key industries, automobile manufacturing, crashed. People could not afford to buy new cars, so car manufacturers decreased production, and the demand for raw materials plummeted. Platinum is one of the raw materials used in making cars, and the demand for platinum—together with its commodity price—fell. The price of platinum went from over \$2200/ounce to around \$800/ounce in the space of a few months. This caused the share price of platinum mining companies like Impala Platinum to fall as well.

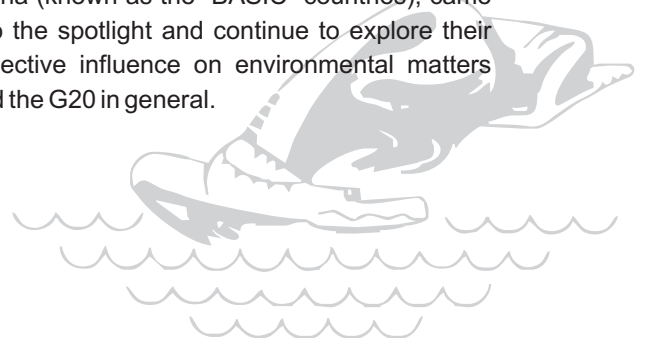
As the single largest investor in Impala Platinum, much of our income as a community comes from Implats. When they do well, we earn more; when they do poorly; we earn less. The dividend stream, or income, we derive from Impala Platinum makes up the majority of the money we use to pay for our university bursaries, our ambulances, and our Samba soccer programme, just to name a few. This chain of political and economic realities is only one of many that determine the circumstances we face in South Africa, and in Phokeng.

When I spoke three years ago from this podium about China's expanding population and wealth, and insatiable hunger for materials and resources, I was thinking ahead to the day when China would come knocking on our door to offer us easy money for a future share of our food production, or sunlight, or water, or platinum. This may have sounded futuristic or paranoid to some, but open any newspaper today, and you'll see headlines such as "China causes a furor in Africa" and "Fears for food supply unleash new scramble for land in Africa."

It matters what is happening around the world. Not only because of how it might affect us in the short or the long term, but also because we are citizens of the global community, and we have contributions to make to global dilemmas and crises. Our environmental policies can affect the course of climate change in southern Africa. Our governance model can inspire communities elsewhere in Africa to embrace the future while preserving the past. Our education reforms and health initiatives can light the way for other rural communities to improve their schools and hospitals. Our policy perspective must rest on the global horizon even as we focus our gaze on the problems of our local communities. And with that, I offer the following thoughts on the current state of the planet¹:

The world will begin to emerge from economic recession this year. Consumers have already begun to regain confidence, and businesses can begin to focus on strategies for future growth, rather than short-term survival.

Emerging markets are enjoying newfound status on the world stage, evidenced during the United Nations Climate Change Conference in December, where Brazil, South Africa, India and China (known as the "BASIC" countries), came into the spotlight and continue to explore their collective influence on environmental matters and the G20 in general.



¹Drawn in part from "The World in 2010" by Michael Pilkington, Nov 13, 2009, in The Economist.

China will be central to just about every global issue in the coming year, from the economy to climate change and nuclear diplomacy. China is about to overtake Japan to become the world's second-largest economy.

Our own research on sustainable futures suggests that we must focus our attention on the “big five” global crises: water, oxygen, food, energy, and waste. These issues are driving policy, strategy, and programming in states, communities, and companies around the world. As Africa becomes the focus for resource-hungry economies across the globe, we have the opportunity to stay ahead of the curve in determining how to meet our own long-term needs, as well as how to develop technologies, services, and models that we can market to an increasingly hungry, thirsty, and energy-hungry world. Does this sound futuristic? It should, as this is our future, and if we plan carefully, our salvation. We are just as accountable to the future as we are to the present, and this has implications for every area of our work.



3. INVESTMENT

In order to achieve sustainability as a community, the long-term health of our income stream is essential. We are blessed with natural resources, but diversification of our investments is also critical so that we can weather any storm. The recent period has been extremely challenging in this respect. RBH's portfolio income fell sharply in 2009 from its record high of 2008 and is likely to fall further in 2010. After the sharp drop in the share prices of our major investee companies in 2008 (Impala Platinum and Anglo-American Platinum), the market rebounded in 2009. The asset base managed by RBH generated a total return of 40%, with the equity portfolio rising by 50% and the cash portfolio giving a return of 10%. The total value of the RBN commercial assets was R30,6bn at year end.

Within the mining sector, the transaction announced in late 2008, whereby management control of Bafokeng Rasimone Platinum Mine (BRPM) was to be transferred from Anglo-American Platinum to RBH, was successfully concluded, with a new RBH-appointed team formally taking over management control on 4 January 2010. The new company will be listed on the JSE within the next two years. Beyond mining, the acquisition of a further 15.1% in Zurich Financial Services (ZICSA) was announced in December 2009, taking RBH's stake in the company to 25.1%. A number of smaller investee companies remain under operating strain due to the tough global and local economic conditions. The RBH team has worked hard to provide these businesses with enough strategic support to ensure that they can weather the tough times.

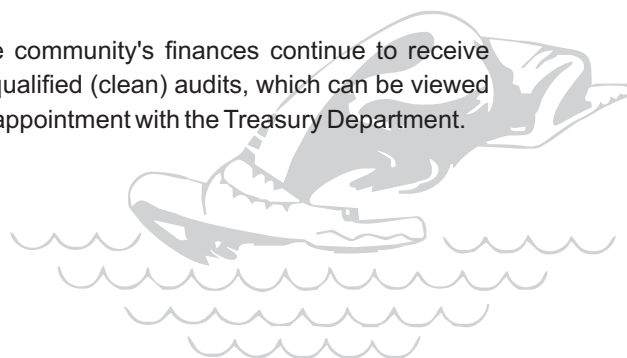
Our Treasury recently implemented the first three-year budget, which gives us a detailed roadmap for spending from now through 2012. This process allows for a long-term planning horizon and will facilitate faster budget reviews and approvals.

Earlier approval of budgets by the Supreme Council will assist the RBN entities to spend more efficiently. For example, the RBA spent about 96% of its capital expenditure budget in 2009. This is a drastic improvement over the 2008, 2007 and 2006 financial years, when the RBA spent 66%, 54% and 34% of its Cap-Ex budgets, respectively.

Careful planning and budgeting has become ever more critical in a period of economic contraction. Treasury has set a limit of R2.566 billion for the next three years. The actual budget approved for the same period is R2.543 billion, or just under the spending limit. The 2010 budget is R800 million. This is R400 million less than the 2009 budget of R1.2 billion. This dramatic decrease is a result of the global recession generally, and the decline in the platinum shares, specifically. These funds are targeted towards nine key focus areas, as prioritized by Supreme Council and makgotla leadership in all five regions, namely: Education (R181m), Health & Social Welfare (R64m), Economic Development (R28m), Food Security & Agriculture (R6m), Safety and Security (R56m), Public & Community Utilities (R132m), Environment & Land Use (R28m), Sports & Recreation (R66m), Bafokeng History & Heritage (R3m).

The economic downturn forced us to start thinking about seeking other sources of capital to fund our projects, and this effort is now underway. I see this as a necessary, inevitable and, frankly, overdue shift in our financial strategies. The Development Bank of South Africa (DBSA) has been approached regarding the possibility of providing debt-funding for the water-borne sewage project, and the completion of Lebone II.

The community's finances continue to receive unqualified (clean) audits, which can be viewed by appointment with the Treasury Department.



4. GOVERNANCE AND ADMINISTRATION

Before I speak about our key focus areas for the Bafokeng community, it is important to understand some of the structures we use to oversee our budgets and policies, give direction to our corporate entities, and guide the community along the path to sustainable development. As a traditionally-governed community, our combination of leaders for life and leaders chosen through democratic processes supplies us with a critical mix of wisdom, experience, skills, and ideas. With a shared vision and common purpose, the men and women who lead the Bafokeng Nation do so with an acute sense of responsibility, not just for the present, but also for future generations of Bafokeng. This solemn burden is an honour as well as a challenge, and it is one we do not take lightly.

4.1 Supreme Council

The Bafokeng Supreme Council, made up of hereditary headmen and elected and appointed Councilors, is our traditional legislature. As such, these 83 men and women oversee our expenditures and our policies as a community and as an administration. In order to align governance and operational structures more closely, we are in the process of establishing Supreme Council portfolio committees that are linked to RBN operational entities and departments. Prior to the formal establishment of these committees, members of the Supreme Council traveled to the South African Parliament in late 2009. By sitting in parliamentary portfolio sub-committees, our Supreme Council was exposed to parliamentary processes, committee work and the views and experiences of Parliamentarians from different political backgrounds. Supreme Council Rules and Orders (as opposed to By-Laws) will be approved by the end of the first quarter of this year, and portfolio sub-committees will be constituted.

Our strategies and spending priorities must reflect the needs and concerns of the community itself, and to this end, the Supreme Council, together with administration officials, went on a fact-finding tour to all of the Bafokeng regions and villages. The five-day process resulted in a list of needs that inform the detailed plans of all RBN entities and departments over the next three years, as well as the current 3-year budget.

4.2 Dikgosana

As hereditary leaders, our Dikgosana (headmen) are identified through strict rules of succession. Following from the Report of the Commission on Bogosana Succession, approximately 25% of Bogosana (headmanship) in our 72 makgotla (wards) must be adjudicated as they either involve disputes or the rightful successors have not been installed. These cases will be resolved by the end of the first quarter of 2010. In order to avoid future disputes, we are working to record the order of succession to the 11th degree, or successor, for each post; approximately 64% of Bogosana have been identified as having secured this threshold. As for the remaining Bogosana, due to disputes and prior Dikgosana passing away without having children, it is only after the current plenipotentiaries are confirmed that the succession lines can be established.



4.3 Makgotla

The Bafokeng community interacts with our governance structures most directly and most frequently at the level of wards, or makgotla. In order to strengthen the capacity of makgotla executive committee members to administer the community's needs at the local level, training commenced last year for all makgotla chairpersons, treasurers, and secretaries. The training will continue this year to ensure that these skills are effectively combined through team-building exercises. Makgotla stationery continues to be rolled out; however amenities such as offices and additional equipment are on hold due to budget constraints.

By mid-2010, more comprehensive regional governance structures will be introduced in order to cluster and coordinate communication and reporting on all policy matters between the local, regional, and central governance levels.

4.4 Traditional Court

As part of improving traditional governance structures, the Traditional Court will collaborate with the Office of the Sheriff this year to ensure that there is transparency in the serving of Summonses, Warrants of Arrest, and Warrants of Execution. In the past, this function was performed by the Tribal Police, who no longer exist. Collaboration with the Office of the Sheriff of the Magistrate's Court will ensure that all court processes and documentation being handled by that office are fair and objective. Traditional Court Panelists will also undergo training to enable them to dispense justice in line with Bafokeng customs.

4.5 Corporate Governance

The Corporate Governance Department in the Office of Kgosi is responsible for making sure that in all of our corporate entities, we observe the relevant laws, procedures, and best practices. The RBN Code on Corporate Governance will regulate RBN policy-making structures and operational structures, including Governance Structures By-Laws and Rules & Orders, Funding Agreements, Entity and Shareholder Compact Agreements. The Code will guide us with regard to when, how and to what extent RBN entities should be coordinated, monitored and reviewed.

4.6 Royal Bafokeng Administration

Our operations must keep pace with our governance structures and corporate governance principles, as this is where “the rubber hits the road,” as they say. Without effective operational units, all the strategies, and even all the money in the world, will not produce the quality programmes we want. Just as the RBI and RBH have benefited from a single-mandate focus, we will now expand the number of stand-alone units that have overall control of their budgets and management. This restructuring process will take place in the course of the coming year, and will ultimately result in an RBA that is reduced in size, and focuses on developing and stewarding group policies.

Let me now turn to our major developmental areas, as identified by our people, our leadership structures, and by the research we've conducted locally and around the world. In addition to the “big five” global issues I mentioned earlier, it is these “key focus areas,” as we call them, that serve as our goalposts. Let me be clear about one thing. These are not areas of “service delivery”, or the meeting of immediate or short term needs. These are the priorities for long term sustainability, for planned expansion and growth, and in some instances for our very survival as a community. Not all of these initiatives will produce short term benefits, and I do not apologize for that. Inspired by the best legacies of my forebears, we will strive to meet our responsibilities to future generations. We will not shy away from things that may not reward us with an immediate dividend, but that do offer long-term security. We will not address the needs and wants of today at the expense of the long-term interests of the community.



5. EDUCATION

Turning now to our operational priorities, education tops the list of our long-term planning areas. The quality of public education in South Africa continues to be shockingly poor, especially in light of the fact that it receives more money from the Treasury than any other sector. For Bafokeng children to benefit from dramatically improved schooling, a number of sweeping changes must take place. In education as in other areas, we cannot wait for government to solve the problems that face our community. We must pioneer our own solutions, albeit in partnership with the Department of Education and other interested parties. The Royal Bafokeng Institute is central to the upgrading of Bafokeng schools, and has identified three basic goals to this end: 1) promoting quality education in Bafokeng schools; 2) creating measurable improvement in school management, infrastructure, and security; and 3) engaging all stakeholders (parents, school leaders, traditional leaders, clergy, and learners) in enhancing the impact and sustainability of its programmes. These long-term goals will be achieved through a range of strategies, including improving instruction in basic skills (literacy in English and Setswana, and numeracy); providing state-of-the-art early childhood education for children aged 3-6; providing good nutrition for learners in all Bafokeng schools, and expanding the range of post-secondary options for young adults, both academic and vocational. Leadership training, the fostering of skills and attitudes to ensure that our schools are led by innovative and ethical problem solvers, continues to form a key pillar of the RBI's human development strategy. In fact, this may prove to be the single most important thing we do in the short term. Global research suggests that "[r]eplacing an 'average' principal with an outstanding principal in an 'average' school could increase student achievement by over 20 percentile points."²

Over the medium and long-term, Lebone II College of the Royal Bafokeng, is just as important to our education reform agenda. By serving as a resource centre for all teachers in Bafokeng schools—through workshops, in-service training, and peer collaboration, Lebone II will become an African leader in “creating more opportunities and spaces for teachers to work together in sharing practices and research, developing lesson plans, and building consensus on what constitutes good teaching practice.”³ By the middle of 2010, the school will relocate to its new premises at Tshufi Hill, where it will also start to meet the needs of the entire Bafokeng community by hosting programmes, events, concerts, and competitions targeted at lovers of sport, arts & culture, and science & discovery.

Recent academic statistics in the Province suggest some reason for optimism in our war on poor education. The top three mathematicians in the Province, as determined by the 2009 Matric exam results, were all beneficiaries of RBI's mathematics programmes. Among the top nine scorers in the Province, including students at all the previous Model C schools, four were students in RBI-assisted schools. Almost half.

I would also like to recognize the efforts of the RBI Winter School, in which five subjects were taught last year. Our volunteer accounting teachers, including Obakeng Phetwe from Treasury, Levi Nameng from RBI, and Karabo Phatsoane from RBI, succeeded in doubling the number of passes on the Matric Accounting exam. Please note that money was not the critical intervention in this case. It was a well-targeted programme implemented by skilled individuals. Well done.



²Shaping the Future: How Good Education Systems Can Become Great in the Decade Ahead, Report on the International Education Roundtable, 7 July 2009, Singapore. McKinsey Education.

³Ibid.

6. HEALTH

Our number two planning area is health and social welfare. The provision of quality health and social services in our region remains one of our most critical needs, as well as one of our greatest challenges. Our primary focus is on supporting and upgrading the government's primary health care system for the benefit of everyone in the region.

Our current priorities in the health sector include renovating clinics, increasing the number of medical personnel, extending the range and reach of medical services through mobile clinics, and improving the management of HIV/AIDS. More comprehensive treatment of communicable diseases (measles, influenza, HIV/AIDS), non communicable diseases (cancer, heart disease, diabetes), and mother, neonate, and child health constitute some of our key clinical objectives.

Having successfully renovated the clinics in Phokeng, Chaneng and Luka last year, the upgrade of the Phokeng Health Centre will be complete by March of this year. Doctors are available at these clinics twice a week, up from once a month in the past. In addition, the Phokeng Health Centre has been accredited to provide antiretroviral treatment for HIV/AIDS. Currently, there are more than one thousand five hundred people on treatment. Access to healthcare remains a challenge in underserviced villages, but the Health and Social Development Services Department has purchased several new mobile clinics to address this need.

In terms of Emergency Medical Services, we currently have a fleet of four ambulances and will have our first satellite at Kanana Clinic by March 2010. The Phokeng Health Centre will also have a fully equipped EMS centre with a call centre.

Research on our health status as a community will become a new focus of the department this year, with records and statistics on HIV prevalence, mother-to-child HIV transmission, infant mortality, maternal mortality, and the TB cure rate now being tracked on a regular basis.

Quality social services and social development programmes are also essential in our community. We continue to feed and offer psycho-social support to orphaned and vulnerable children (OVCs) in Kanana, Luka, and Phokeng through our own NGO, Godisanang. Our objective is to provide this service to all villages by 2011.

The needs and concerns of Bafokeng youth are receiving greater attention, in part through the establishment of the Bafokeng Youth Centre in Luka. The centre, which is run by loveLife, provides youth programmes in all twenty-nine Bafokeng villages, and we have developed regional youth structures in every village as well. In 2010 we will strive to formalise these structures and initiate programmes in arts & culture, farming, and education for young people both in and out of school. We also intend to develop systems to guide young people from these programmes into the mainstream economy to promote job creation.

Our Social Workers continue to work jointly with the Department of Social Services to secure grants for those who need a temporary hand-up. For those in dire need we have policies for immediate intervention, especially in the case of natural or manmade disasters.



The disabled and the elderly in our community are groups that benefit from special programmes tailored to their needs. In 2009 we purchased a bus to transport people with disabilities to community meetings and services. In 2010 we will provide those with disabilities more opportunities to get involved in sport, with the goal that the Bafokeng community can be represented at the 2012 Paralympics. Our motto is “Independent living for people with disabilities.” As such, we will continue giving wheelchairs and prostheses to those in need.

To our existing services for the elderly, we have added special patient transport for those who have difficulty traveling to the clinics or district hospital. Our programme called “The Critical Ten” caters for the ten frailest people in each region. A retired professional nurse and five home-based care givers visit these people on a regular basis to ensure that they are fed and take their medication. For those who are mobile we have Luncheon Clubs with activities on a regular basis. Improving pension pay-points will be our focus in 2010. A pilot programme to supply water, shelter and warmth for the elderly at select pay-points is underway. By the end of 2010 we intend to provide these services to 50% of the pay-points across the Bafokeng community.

All of these initiatives require strong public/private partnerships and close collaboration with government departments. Only through the commitment of all parties can we achieve our national and universal targets, including the Millennium Development Goals.



7. ECONOMIC DEVELOPMENT

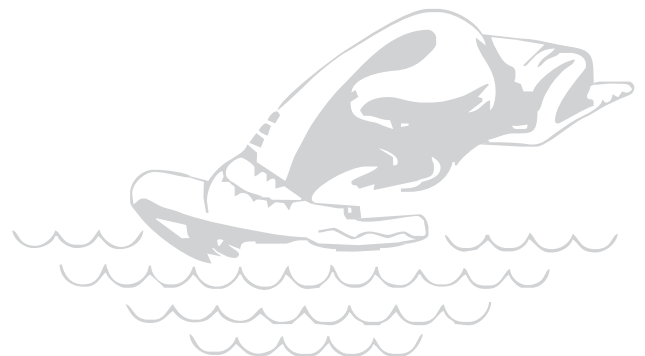
Our third key focus area is economic development. Economic growth is the center of Vision 2020's promise, and broadening the range of opportunities to work is essential to this effort. The reasons for high unemployment in the Bafokeng area are complex. The influx of workers from other regions and countries plays a major part, as do macro-economic policies determined by government. The World Cup has created a number of opportunities for unskilled and semi-skilled workers around the country, and the benefits from this are not to be underestimated. Some, including the unions, claim that providing informal, temporary, and part-time opportunities for unskilled workers is not the right way to approach unemployment. Without these opportunities to work for a day, a week, a month, or a season, households understandably look to government grants to sustain themselves. How much longer will the grant system need to sustain us before we can stand on our own feet?

A large percentage of Bafokeng households survive as a result of government grants. While this is not unusual in South Africa, it poses a major challenge for Vision 2020, and our desire to be accountable to future generations. Government grants are a short-term solution to a crisis situation. Over time, the culture of dependency must be replaced by a culture of economic self-sufficiency, starting at home with every potentially economically active member of our community.

Agriculture is an important component of our economic development plan. The agriculture sector has been stagnant in South Africa in recent years, due in part to legislative restrictions and other economic factors that have devastated the small commercial-farming sector.

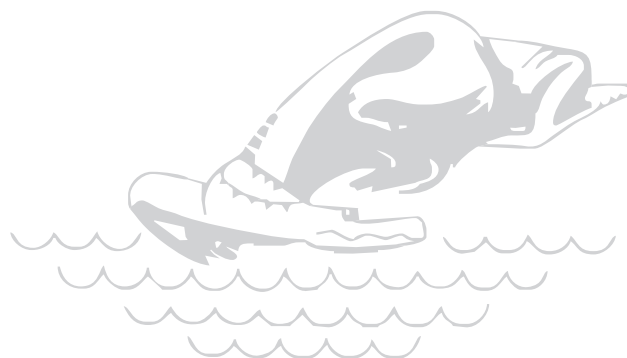
Having identified land suitable for commercial agriculture through the Masterplan, the State of the Environment Report, and other consultations, we are developing a comprehensive plan to introduce more commercial agriculture to the RBN, including training for aspiring small commercial agribusinesses, and technical and financial support for emerging farmers. The benefit will come not only in terms of more employment opportunities, but also in greater local food production. Central to this plan is the recruitment of an experienced agricultural development expert to develop, coordinate, and implement a long-term strategy.

Other job sectors slated for development include tourism and hospitality, education & health-related industries, sports-related businesses, and of course mining and mining-related services.



8. FOOD SECURITY

The fourth key focus area is food security. Food security has become the most intractable challenge for national and global governance in the world today. I have already spoken about the benefits of promoting small commercial farming in our area, from the perspective of economic development, and as far as food security is concerned. It is important to emphasize that South Africa is experiencing a food security crisis, and that the situation will not improve without our concerted efforts. As a country that used to export its agricultural products, South Africa became a food importer in 2008. Failed land reform policies, a low level of interest in agricultural jobs, increasing demand, and global economic trends have left us in a precarious position. The Royal Bafokeng Nation should take on the challenge to address this situation, at least for the immediate region. With the right planning and expertise, we can produce a significant amount of our own food, as well as export food to surrounding markets. The advent of the Feeding Scheme in our schools means that there is already a reliable new market for vegetables, dairy, eggs, and fruit. Butcheries, bakeries, and dairies—planned and implemented using best practices—will thrive in our region.



9. SAFETY AND SECURITY

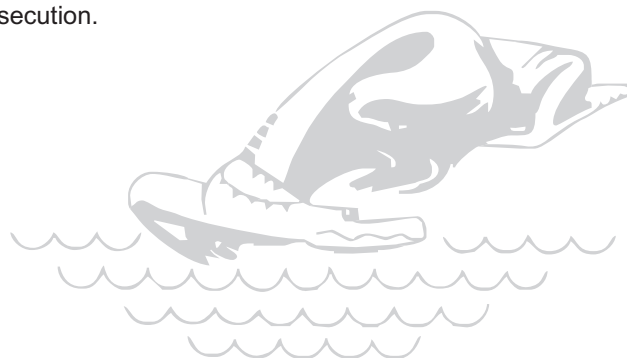
Turning now to matters of safety and security in the Bafokeng community, including crime, corruption, vandalism, and other social pathologies, we must acknowledge some sobering facts. The fight against all kinds of crime in South Africa is losing ground. The judicial and law enforcement structures of government established to keep us safe, and to remove dangerous criminals from society, are failing to do so. Property crimes such as burglary, car-jacking, muggings, and even rape, are not only the result of poverty, but also the expected outcome of a system that is highly accepting of corruption, and that is incapable of enforcing its own laws.

We know that in the Bafokeng context, we have criminal networks involved in drugs, weapons, cars, and possibly human trafficking as well. Many of these networks originate in other countries, including Bangladesh, Somalia, Swaziland, Botswana, and Nigeria. But rather than blaming the countries that these people come from, we must in fact wonder: Who lets illegal immigrants into our country? Unscrupulous people exist in every society, but why has South Africa become a magnet for these people and their criminal activities?

To bring this issue closer to home, many of the traders operating in our community are not Bafokeng, and yet they manage businesses registered to Bafokeng. Who is responsible? There are many unregistered businesses operating in our region, and thousands of illegal residents living in informal settlements and backyard shacks. This situation simply could not exist without the tacit involvement of law enforcement authorities who either turn a blind eye, or derive some personal benefit. If we calculate the social, financial, and economic cost of these unwelcome guests in our community, the actual cost is shocking.

The bottom line is that we live in an era when base human instincts such as greed, selfishness, and disregard for others' humanity are, at worst, richly rewarded and, at best, selectively punished. We call it corruption when it occurs in government, corporations, or our own administration. We call it crime when it enters our cars, our homes, and our bodies. But the cause is one: a lack of leadership that insists on honesty, accountability, and respect for the rules of society. Can we buck the trend, change the course of events, and promote a climate of safety and security in the Bafokeng Nation? Our constitution and our status as a traditionally-governed society say that we can, and I'm here to say that it shall be...

Our clergymen and women, our youth leaders, our Dikgosana and Councillors, our principals, teachers, and School Governing Bodies, our Business Forums, and our locally-elected leaders are all accountable in this regard. Each and every group I've mentioned must espouse, promote and embody respect for the law, respect for democratic and traditional authorities, respect for property and the natural environment, and respect for ourselves and one another as human beings. If we follow these simple principles, the uncontrolled influx of foreigners being granted permission to stay in backrooms, to erect shacks, and to conduct unregistered businesses will decline. Crimes of all kinds, especially those characterized by domestic violence, will occur less frequently. The illicit selling of drugs, and the resulting rates of substance and alcohol abuse, will decrease. Greed and fear are our enemies in this quest, but we can and will counter them with an all-out campaign that emphasizes fundamental human values, strong and capable law enforcement, and the promotion of more effective criminal prosecution.



The Bafokeng Reaction Force has made important contributions towards the South African Police Force's and other law enforcement agencies' efforts to combat crime in our area. The arrest rate of our Reaction Force is high, and the fight against stock theft and the recovery rate of missing stock by our Stock Theft Section and helicopter crew deserves special mention. We have added two more crime fighting sections to the Force, as well as a Rapid Response Team, increased dog capacity, and several new vehicles to increase coverage and reaction time.

In 2010 we will develop satellite posts in two regions. During the World Cup we will be especially vigilant about any form of human trafficking and will work to discourage prostitution in our streets.



10. PUBLIC AND COMMUNITY UTILITIES

Public and Community Utilities is the sixth key focus area. This encompasses services such as water and electricity, roads, sanitation & waste management, and housing. This is an extremely important area for future-focused development, as each of these services is essential, expensive, and is linked to important global environmental issues. In each case, the community's needs and wishes need to be balanced against the costs involved, and the environmental impact.

10.1 Water

We continue to purchase water from Rand Water and Magalies Water, and to provide this essential service to the community at subsidized rates. Ensuring a consistent supply of clean water to the community at reasonable rates is hampered by the influx of illegal residents who live as tenants of registered stand-dwellers. Our systems are not designed to serve this population, and everyone suffers when the water supply runs low or runs out. We will implement systems in the coming year to ensure that payment for water is equitable, efficient, and above all sustainable.

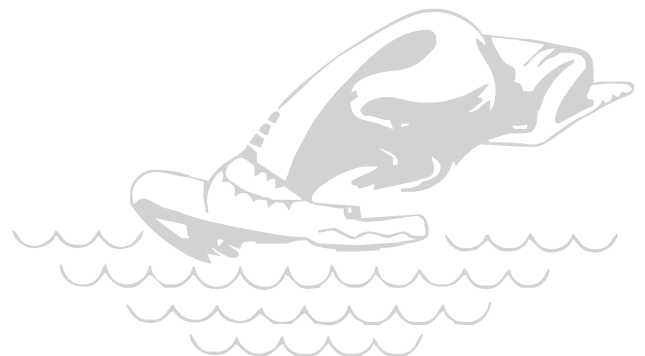
From an environmental perspective, research suggests that the average rainfall in our area is sufficient to meet almost 50% of our domestic and industrial needs (including agriculture). The key is harvesting and storing rain water effectively. I have engaged a firm of sustainability experts to help us design structures and systems to ensure that every flat surface in our community is a rainwater harvesting mechanism, including our roads, buildings, and even signs and public facilities.

10.2 Housing

In terms of public utilities and services, our focus will shift from the building of new roads to the design of new housing for the community. Our road network is now extensive but we still lack a sufficient range of suitable housing options for those eligible to live on Bafokeng property. Again, striking a balance between what people want, environmental concerns, and sustainable, affordable financial models is the challenge in this sector.

10.3 Sewer system and waste management

The water borne sewer project will commence in late 2010, and is due to be completed in 2012. This is one of the most important ways to promote the quality and health of people in all 29 villages. The system may also generate income for the community in the long-term as "grey water" generated by the sewer plants can be sold to interested parties, including the mines.



11. ENVIRONMENTAL MANAGEMENT & LAND USE

Bafokeng land, and the laws and policies governing its protection and use, is perhaps the single most important factor that sets the Bafokeng community apart from other communities in South Africa. As a community land-owner, we can exercise a large degree of oversight with respect to how our land is used, and this is a distinct advantage and an opportunity in light of local, national, and global challenges such as poverty, food security, human settlement, and climate change. As with all policy areas, though, conceiving good policies and implementing them are two different matters.

In the first quarter of 2010, the Office of Kgosi will constitute the Masterplan Management Committee, which will be tasked with approving applications in line with the Masterplan.

These policies are designed not only to bring order and good governance to the use of Bafokeng land, but also to implement forward-thinking planning regimes for rural development. The old system of expanding willy-nilly as the need arose, or as the opportunity presented itself, is not sustainable, and we need to start approaching our land use and management in a different way. As a rapidly expanding rural area, we need to plan. Where space is limited and populations are growing, housing, facilities, transport, commerce, recreation, industry and governance must all be planned in concert with one another, using available resources wisely to meet the needs of diverse populations. Although I do not envision turning Phokeng into a cityscape, I do believe we must adopt the principles of urban planning to provide for the needs of our community well into the future.



12. SPORTS AND RECREATION

Turning now to sports and recreation, our sports development program now serves 11,000 Bafokeng girls and boys aged 6-17 in soccer, rugby, karate, netball, and athletics. The awards, medals and recognition generated by these young athletes are too many to mention, but the hidden achievements are even greater: the sporting values and physical benefits of sport are quietly reshaping the nation. It is worth mentioning the 450 coaches trained by RBS as well as the 250 local-level sports coordinators, who now have gainful employment through sport.

On the professional side, the Platinum Stars have improved in the rankings, and credit must go to the coaching staff and everyone on the team. The team's recent relocation to Phokeng, and an updated brand are intended to integrate the Platinum Stars into the Bafokeng community more completely, and we plan to grow the team's support base over the coming year.

RBS also holds a major stake in the Platinum Leopards rugby team, which is still based in Potchefstroom and has successfully retained its position in the rugby premier league. A development programme has been introduced to ensure that local Bafokeng talent gets exposure to, and opportunities in, professional rugby.

RBS successfully relaunched the upgraded Royal Bafokeng Sports Palace last year, followed by the hosting of four exciting FIFA Confederation Cup matches, resulting in RBS receiving the Professional Management Review Award for outstanding performance, and numerous kudos for our pitch. The 65-hectare Bafokeng Sports Campus will be launched later this month, and will serve as home to the English football team during the World Cup. The campus already boasts the five-star Royal Marang Hotel, a high-performance gym with medical facilities, accommodation for promising young athletes, 10 playing fields (two of them FIFA-accredited) and clubhouses for Platinum Stars and visiting clubs.

The campus is the only one of its kind in South Africa, and will play host to a wide range of professional and developmental sporting events in the coming years.

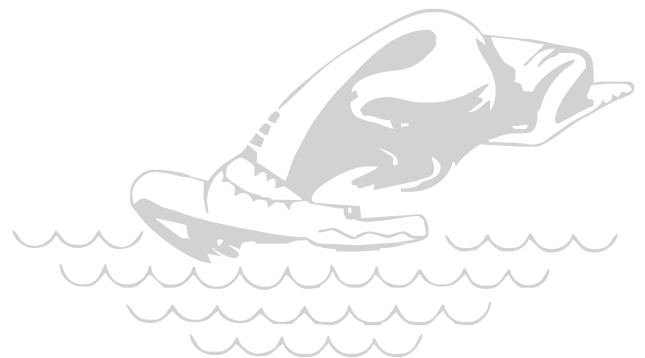
It is important to note that our sports facilities don't only get the community on its feet, and generate income; they also provide national and international visibility for Vision 2020 as a whole. As we begin to enter into more strategic partnerships with government, corporations and bi-lateral donors, the public profile and positive attention we generate through sports is invaluable. The FIFA 2010 World Cup is an example of this. With the English team—easily the most popular national team in the world—in our midst for a month or more, and at least nine other national teams including Japan, Australia, the United States and Denmark, visiting our community, the opportunity to share our story, our vision, and our challenges with the world is one we must not miss, or take lightly. It is a singular opportunity to showcase our aspirations to like-minded partners around the globe, partners who will choose to share their expertise, experience, and support with us—towards a Vision that has always sought to embrace the best that the world has to offer.



13. BAFOKENG HISTORY AND HERITAGE

The final key focus area is Bafokeng history and heritage. I spoke last year about the need to strengthen our understanding of Bafokeng history—the events, circumstances, and personalities that have defined us over the past four or five centuries. We know that our ancestors migrated to the Rustenburg Valley sometime around 1550, but how much do we know about the way those people lived? Their family structures, their political system, their economies? What did they wear, eat, and do for fun? What did their language sound like, and what songs did they sing?

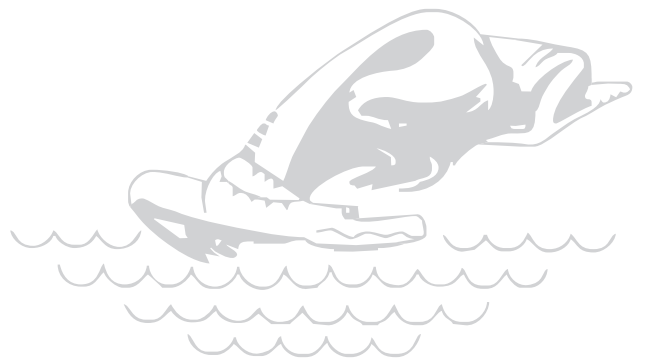
Knowing what it means to be a Mofokeng today depends on how much we know about our history, the things our great-grandparents did and thought and felt. The places they went, and the work they did. We will never know all we want to know about the past, but we have set out to compile more information about the Bafokeng Nation from its origins to the present, and to disseminate that information through our schools, our makgotla, and for the world as a whole. In the course of 2010 we will be producing a new documentary film on the Bafokeng, as well as three different books that tell our story from different points of view. In all this work, there is the opportunity for all of us to contribute our stories, our memories, our special knowledge of the past. I encourage you to share your treasures and stories with the Research & Planning Department, which is overseeing these projects. Vision 2020 points us towards the future, but it is also firmly rooted in the past. Preserving this heritage takes painstaking work and resources, but it is central to our long-term project.



14. CONCLUSION

A columnist wrote recently that the two most important features of successful societies in the coming decade are imagination and good governance.⁴ Societies that nurture people who have the ability to dream big and conceive new ideas will flourish. On the other hand, good governance ensures that a society's leaders think long-term, address their problems with the best policies and legislation, and attract capable people to leadership positions. If these two qualities--imagination and good governance--are the keys to the future, then Vision 2020 and the Masterplan are our blueprints for success. Innovation, problem solving, and creativity, together with structures and systems that are fair, just, and implemented by the best and the brightest: that is my vision for the Royal Bafokeng Nation going forward, and that is my challenge to you. Long-term thinking and planning requires deep knowledge of the past, careful study of all that is new and emerging in the world, and a great leap of faith in human values and common interests. Keeping these goals at the forefront was not easy for the Dikgosi and Dikgosana of centuries past, and it will not be easy for our descendents either. It is our duty to demonstrate the courage required to lead, even when circumstances, conditions, and even our own constituents place obstacles in our path. The Bafokeng Way is about accountability to the future, and it is nothing if not a singular honour to put our names to that covenant.

Thank you.



⁴Thomas Friedman "Advice from Grandma", New York Times 22 November, 2009.

