



# **GROWING RURAL BUSINESS**

**THE CASE OF THE BUSINESS TRUST  
MABEDI PROGRAMME**

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# The case of the Business Trust Mabedi Programme

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## The genesis of business

South Africa's rural areas are also some of its poorest and most economically deprived. Rural development is a government priority, and land restitution is a political imperative. Yet how this is to be achieved, with real benefits for poor communities, is still uncertain. So far, nearly 6 million hectares<sup>1</sup> has been transferred to communities who were removed under apartheid laws. However, new owners lack the necessary skills and capital to work the land, but there is political pressure to transfer more land.

While there are many case studies which look at failed land reform projects, it is not so easy to work out how these projects can succeed. Through the Business Trust Maruleng and Bushbuckridge Economic Development Initiative (Mabedi) which was undertaken with the then Department of Provincial and Local Government, communities were brought into partnership with private investors. Skills and capital were attracted, and jobs were created.

This paper will examine two successful Community Private Partnerships (CPPS) in tourism and agriculture, in adjacent regions of the Mpumalanga and Limpopo provinces. These two provinces account for over 37% of land claims in South Africa.<sup>2</sup> In Mpumalanga alone, 70% of land that has been transferred is now fallow.<sup>3</sup> In 2010 the minister of Rural Development and Land Affairs said that 5.9million hectares had been transferred under the land reform programme and that 90% of that was no longer economically functional.<sup>4</sup>

Private sector investment does not happen automatically. Mabedi provided three forms of support: community facilitation, communal property institution administration support and transaction advisory services to communities and worked with communities and potential investors, in order to bridge the gap in knowledge and skills and ensure agreements were fair and sustainable. Once agreements were signed, the emergent businesses needed to be nurtured with an eye to long term benefits rather than transient gains.

“The only thing communities have to risk is their land. That must be safeguarded so that they don't lose it,” explains Mabedi consultant Geoff de Beer. For this reason, Mabedi sought to ensure low risk regular incomes for communities through lease agreements with investors. With joint ventures – another model commonly used – communities only see the benefit after five years, a major drawback in De Beer's view.

De Beer explains that in a partnership, commercial risks need to be allocated. Risk must be allocated to the appropriate party. In poorly structured deals, risk is inappropriately allocated to communities.

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<sup>1</sup> Business Trust

<sup>2</sup> Commission on Restitution of Land Rights Report to Portfolio Committee, 8 July 2009

<sup>3</sup> Mpumalanga Settlement Support and Development Unit Report, 2009

<sup>4</sup> The Times - Brendan Boyle, Mar 2, 2010

In the transactions Mabedi has facilitated, the private investors take on the commercial risk, while the community shoulders the risk of allowing a third party access to their land.

Mabedi's approach is to choose strong partners, with proven commercial experience, to partner with communities "who are marginalised in every sense", De Beer explains. But this uneven partnering requires skilled negotiation and advisors who can ensure the deal remains fair for both parties.

"Deals must be underpinned by commercial realities," he says. This means that investors pay a fair rent, with a lease that is long enough to allow them to turn a profit and recoup investment. Typically, this means a 15-year lease in agriculture, and a 49-year lease in tourism ventures. The community has the right to exercise their option to buy shares in the business at a point when they think the business is maturing.

## About the area

Thanks to an accident of geography and apartheid engineering, Hazyview and its surrounds in eastern Mpumalanga manages to combine fabulous wealth with grinding poverty for most of its residents. Its residents proudly describe it as "the gateway to Kruger National Park" and roll out red carpets for foreign tourists who prefer to stay in luxury game lodges and eat at fine restaurants. Surrounded by rolling hills and lush indigenous forest, Hazyview appears favoured indeed.

But in former times, Hazyview was also the gateway to three nominally-independent homelands: Gazankulu, Lebowa, and KaNgwane, which all administered the 2000km<sup>2</sup> strip of Bushbuckridge to the north. Each homeland was supposed to govern a different ethnic group. Lebowa was intended for Sepedi speakers, Gazankulu for Xitsonga speakers, and KaNgwane for Swazi people. However, only the apartheid government ever recognised their independence and in 1994 they were reincorporated into South Africa as part of Limpopo and Mpumalanga provinces. Bohlabela was a cross border municipality falling under Limpopo province. It was split into Maruleng (Limpopo) and Bushbuckridge (Mpumalanga) in 2005.

Despite democracy, chronic poverty and underdevelopment endures in Bushbuckridge, where half a million people live. Only 14% of adults in this region are employed. Over 85% of the population earns less than R19 200 a year, which means they are officially classified as poor. Most families live in traditional housing without access to electricity or piped water. Over 70% of schools have no access to electricity or piped water.



The area around Bushbuckridge

This corner of South Africa represents some of the country's most fertile agricultural land and is home to large commercial farms. But much of this land was acquired at the expense of communities who were forcibly dispossessed by apartheid laws, many of whose descendants now live in Bushbuckridge communal areas.

Given this context, some form of land restitution would appear to be a fair way to right historical wrongs and give communities a chance to lift themselves out of poverty. Yet the results, so far, have been devastating in terms of community economic empowerment.

The odds are stacked against land reform beneficiaries, who frequently lack business skills and knowledge of commercial agriculture, have little capital to invest, and must in addition manage conflicts within their own communities.

The land restitution process itself de-incentivises commercial farmers from investing in claimed land as they will not see the benefits. Since it often takes years for claims to be settled and land to be transferred, farms are often handed over in poor condition. And as farms fail, jobs are lost as a result of long periods between the lodging of a land claim and its settlement as well as investor uncertainty and consequent periods of no meaningful investment.

While the challenges faced by communities are immense, Mabedi sought to build on two potential advantages: tourism and agriculture<sup>5</sup>. The assets transferred to the Moleteles and the Sandford Trust, for example included thriving hotels and commercial farms. These enterprises had demonstrated successful business was possible, and could be sustained again for the benefit of communities whose land was restored to them.

## The cost of failure

There is a shadow which hangs over conversations about land restitution in this part of the world. Lisbon, the biggest farm in the area, a thriving commercial enterprise which was once the country's top grapefruit exporter, was handed back to community owners in 2004. In 2009, a government appointed farm management company, South Africa Farm Management was liquidated forcing an abrupt halt to farming operations.



Banana plantations now lying fallow

Today, rows of dead mango and citrus trees outnumber the living, and the main farm house has been destroyed by fire. A dam lies empty. Those living on the land admitted to us that they had no connection to the owners and were taking advantage of available housing. The farm borders the Kruger National Park, and holes have been gouged in the wire fence

<sup>5</sup> Bushbuckridge Economic Profile Business Trust 2006

separating the park from the farmland, possibly for poaching.

“It is unbelievable that this was allowed to happen to a model farm,” said Geoff de Beer, who originally told me about the site. Riebs Khoza, secretary of the Sandford Trust, also brought up the significance of the farm, describing it as a “terrible case study”. “Whoever takes it on will need a lot of financial muscle to do it,” he said.

Lisbon now stands as a terrible reminder of how badly things can go wrong for communities who receive back land which represents almost unimaginable wealth. Since beneficiaries of land reform usually lack both commercial agricultural skills and the capital needed to invest in these farms, they rely on finding the right partner. Making the wrong choice can be disastrous, as Lisbon shows.

## The Sandford story

### Elephant Whispers

**48 year lease**

**Annual base rental fee of R1,45 million, escalating at CPI**

**Deal valued at R7 million**

**Leveraged investment of R12-R15 million**

**Between 32 and 45 jobs created**

**Preferential employment for the community**

**On the job training**

**Equity option of up to 25% of the shares at market rates**



In 2003, the first portions of land were transferred to the Mapulana community, which formed the Sandford Trust, named after one of the farms, to manage the estate. The Mapulanas had lodged claims for 26 farms in the Hazyview area, between the Sabie River and Graskop, but these claims have only gradually been settled. Meanwhile, the original 210 households who lived on this land make up 1,500 individual beneficiaries dispersed around the country.

“These okes were grinning like they’d won the lottery,” recalled Andre Visagie of the Hollow Group, which runs several hotels in the area. But expectations quickly soured as the community struggled to maintain investment. “It’s like having a Ferrari with no money to buy petrol,” he said, of the Sandford community who are asset-rich but cash-poor.

Prior to transfer, the Sandford Lodge had offered chalet accommodation, but the owners abandoned the land before the transfer was effected. In the intervening months, all valuables including copper wire were stripped from the buildings. Successive fires destroyed what was left.

Tembi, a well-known restaurant in the area, was transferred along with the land, but the Sandford Trust discovered they lacked the skills to manage the restaurant. It soon closed.

Eight years later, this land again houses a productive enterprise: Elephant Whispers. Elephants are notoriously destructive and too many in a fenced-off conservation area can spell disaster. Proper

conservation management means that elephants need to be removed once their numbers pass the carrying capacity of the land. Frequently, they are culled. One alternative is to rescue these elephants and train them for elephant back safaris, such as those offered by Elephant Whispers.



Riebs Khoza with Themba, one of the elephants at Elephant Whispers

“When the concept of the elephant back safaris came in, I went up to Moeketsi, where they were based, and I said, I’ve got a better place for you to do business,” said Riebs Khoza, secretary of the Sandford Trust. “Hazyview is the gateway to the Kruger Park. They came and looked at it, and they were bowled over.”

Hazyview’s tourism business is built on conservation and its proximity to Kruger. As Khoza explains, with Elephant Whispers, tourists can see the wild elephants in the park, and then can meet the tame elephants outside the park”.

In order to form Elephant Whispers, the Sandford Trust needed the right partner, and for that, with Mabedi’s help, they settled on Andre Kotze, of tourism group Seasons in Africa and long-time partners of the Hollow Group. Tourism is everywhere in Hazyview, and one of the most popular developments is Perry’s Bridge, owned by the Hollow Group, which combines a hotel with a small shopping centre and restaurant complex.

Because of the area’s proximity to Kruger National Park, as well as the small size of plots transferred so far, Mabedi recommended that the Sandford Trust focus on tourism ventures, as well as some limited commercial farming. With regard to Elephant Whispers, Mabedi acted as transaction advisors in drawing up an agreement which would be fair to both parties, while also providing mediation services and capacity building for the community.

“It’s much better to team up with powerful neighbours - you can see what they’ve done,” Khoza explained. “We don’t want to venture with people who are new in business. They are new, we are also

new. It's a potential disaster. The best is to venture with seasoned, experienced partners. People who had made their own money, are not dependent on government grants and commercial loans.”

“That's also a challenge - a strong partner with their own money, we only have land. We did not have our own money. We could not sell the land or use it as collateral to go into business. If we use it as collateral, it's a very big gamble. What if we lost the land? .... You cannot use the rest of the land as collateral<sup>6</sup>. That's an impediment to business, which develops on borrowed money. You have the land, but you cannot use the land to get money. But where will the money come from? The private partner puts his own money on the table, and then runs the business alone.”

In June 2007, Seasons in Africa signed a lease agreement with the Sandford Trust. But after the signing, the Sandford Trust's problems actually worsened.

While 11 of the Sandford Trust's 14 trustees were in favour, just three were against the deal. The Elephant Whispers plans soon ran into trouble, as Kotze related.

Kotze is a big man, dressed in safari operator khaki, with a penchant for the word “fun”. Looking back on the Elephant Whispers transaction, he concludes: “It was very scary but it was fun eventually. It is nice to know you persevered through seriously difficult times.”

But he also admits that the transaction became so fraught that, were it not for Mabedi's mediation, he would have pulled out. “We had toyi-toying, placards, riots outside the gate,” he said, even after a restraining order was granted against the dissenting trustees. “Riebs stood in front of 100 guys with sticks and machetes and tried to calm them down. I stood behind the fence!”

Legal battles followed. Kotze says there “must have been 15 court cases” for trespassing, illegal gathering, and similar charges. The Sandford Trust also had to evict illegal occupants. “Someone had given permission for people to take control of the hotels and run them as businesses,” he says.

“All the money we were paying them was going to legal fees, and more. They never saw any money, and that made it more difficult for the 11 who were in favour (of Elephant Whispers) to say, we should work with these people, they're bringing in serious money,” says Kotze.

It took two years before the tensions calmed down, and at least once, by Kotze's account, a stampede was narrowly avoided after the dissenting provoked the elephants. “We calmed down the elephants, but it could have been really nasty. Someone could have been killed,” Kotze said. “It was really not fun.”

Mabedi, he said, saved the day. “They were able to bring sanity to the whole thing. They're toyi-toying, we're ready to get out. It was very reassuring to have guys like that, backing you. They were very determined to make it work.”

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<sup>6</sup> Title Deeds are kept by the Land Claims Commissioner on behalf of the communities. They are encouraged not to use the land as collateral to protect the community from losing their land through failed deals.



Elephant Whispers' relative success led to other business opportunities. Once the dispute within the community had been resolved, says Kotze, other investors also felt confident enough to sign lease agreements for vegetable and banana farming. "We would sign more deals with Sandford, but we would want someone like Geoff to manage the deal."

Khoza is reluctant to go into details, but he acknowledges the violence. "This is not unique to us here. That's why a lot of restitution projects could not move forward. Community members start to fight over what they have. They want a profit today when that is not a possibility. You cannot be looking for profits now," he says.

Managing this type of conflict is always going to be difficult for the Sandford Trust. Though the ringleader – a disgruntled former trustee – has now been banned from Sandford, his followers remain beneficiaries, and the division remains.

"The first people who have benefited from land restitution are the lawyers," Khoza says ruefully.

Seasons in Africa has an agreement to lease land from the Sandford Communal Property Institution (CPI) in return for the payment of an annual rent of R1,45 million, which will escalate in line with inflation. Seasons in Africa will invest R7million and leverage a further R12-R15 million. Between 32 and 45 jobs will be created with members of the Sandford community given preference in securing those jobs. The agreement also provides for on the job training and provides an option for the community to acquire a 25% share in the operating company Elephant Whispers.

The conclusion of this deal was based on the perseverance of the Sandford Community under the astute leadership of the Sandford Trust, the foresight of Seasons in Africa and a transaction facilitation model developed by the Business Trust Mabedi programme. That model brought three critical skills of the land development process: transaction advisory skills to structure the deal, community facilitation skills to work through the complex community dynamics and once the deal was done administration skills were provided to the Sandford Trust to help it administer its affairs

## The Moletele story

### Richmond Estate

**2,400 ha of land**

**16 year lease**

**Annual base rental to grow from R1,6 million initially to around R10 million in year 15**

**Turnover percent is variable**

**Deal valued at R64 million**

**Leveraged investment of R27 million**

**200 jobs saved**

**Preferential employment for community members and on the job training**

**Equity option of up to 49% of shares at market rates**



Just north of Hazyview, the R40 stretches up through the long, rocky ridges of Bushbuckridge and its neighbour Maruleng, all the way to Hoedspruit in Limpopo, a town so small that “if you blink you’ll end up in Phalaborwa”, as Andre Kotze described it. Private game reserves and sprawling mango and citrus farms together make up the main business of this town.

Once upon a time, all this land was Moletele land, from the Drakensberg to Kruger. The community, now based in five villages in Bushbuckridge, claimed 73,000 ha under South Africa’s land reform programme, and has so far received about 10% of this land back. Richmond, the largest farm in the area, was transferred in 2008.

“By the time it was transferred to us, it was in a bad state. The previous owners had neglected the farm, and we needed capital to turn it around,” said Thandios Mashile, the Moletele chairman, whom I met in the Hoedspruit Wimpy. Mashile, like many of the Moleteles, travels from Acornhoek in Bushbuckridge to Hoedspruit every day for work – a distance of around 60km.

Mashile plans to change this in time, noting that black workers in Hoedspruit pay around R200 a month for transport – a hefty amount for domestic workers, farm workers, and gardeners who may earn only R700 or R1, 000 a month. Successful business ventures would enable the Moleteles to move closer to work.

“We had some challenges with joint ventures,” he explained. “We found it difficult to get operating capital from banks and government. Most of our projects were not running as we had intended them

to because of the operating capital. The banks wanted collateral for loans, and our land couldn't be used as such. We found ourselves in a dilemma.”



Thandios Mashile addressing members of the Moletele community

A traditional joint venture model of the type the Moleteles had been using would allocate 51% of the ownership and operation of the company to the communal property association (CPA) and 49% to the strategic partner.

“From the strategic partner’s point of view, they have paid hard cash. The CPA didn’t have cash, but owned 51%... Our operations started suffering, because the strategic partner gave (money) to get the ball rolling, to such an extent they were almost exhausted,” he said.

“If government had come on board speedily after the settlement to support the community, I think we would be prospering by now. It would have been a huge difference,” said Mashile, noting that although the Moleteles had been promised a R35-million government grant, less than R5-million had been disbursed so far. “The bureaucracy in government can make us failures even if we are striving for success.”

By the time Richmond Farm of 2400ha was transferred, the Moleteles, worried about government dependency, were ready to try a new approach. “Government has a template they said we should use with partnerships, but we could see this was not working in the present joint ventures,” Mashile said.

After a year of deliberation with Mabedi and Golden Frontier Citrus, the Community Private Partnership model was finally agreed on. The Land Claims Commission and Department of Agriculture signed on in 2009, giving the transaction official support.

Hoppie Nel, of Golden Frontier Citrus, described the transaction as a career highlight. The Moleteles, he said, stood out among other community associations and trusts for their professional manner. “It was a pleasure to deal with them, their chair, and their executive committee. Without the Moleteles, we would probably still be sitting fighting over the structure of the deal.”

According to Nel, Mabedi played a key role in the Moleteles’ success. “Emile did a lot of the initial groundwork. He succeeded in getting the parties together.”

Richmond's outgoing partner, African Realty Trust, had to exit the business at the end of its lease period in order for Golden Frontier Citrus to move in. "Emile<sup>7</sup> did sterling work in making sure the exit was smooth. They were not really happy to go, but their exit was necessary."

Golden Frontier Citrus is based in Malelane, a farming district just south of the Kruger Park, close to the border with Mozambique, where Nel gained his experience with community associations like the Moleteles.

"Executive committees were composed of people who were most interested in their own affairs and the benefits that could arise. It was a real disappointment in my life to be visited by delegates... who said they represent the interests of the community, and then said, 'but what can you do for us?'" This attitude might help to explain some of the unsuccessful ventures these communities engage in, Nel suggested.

Did this experience of community transactions shape his expectations of the Moleteles? "We were extremely apprehensive. We were expecting a long-drawn-out process," Nel admits. Instead, Golden Frontier and the CPA were able to trust each other.

Nel says Mabedi's intermediary role was crucial. "They were a conduit. We talked to the Moleteles, and the Moleteles talked to us, but it was necessary to have an intermediary. Some of their aspirations may have been unachievable, just as some of our aspirations were unachievable. Mabedi gave us a template for adjusting aspirations. We never had heated arguments."

"If Mabedi was not there, I don't think we would be where we are now. We would have had it very tough," Mashile said. "They trained us. We were not business oriented, not acquainted with corporate governance and ethics, holding meetings and writing reports. Those were lessons Mabedi brought about."

Mabedi also advised the Moletele CPA to issue a quarterly newsletter in order to keep beneficiaries informed and market itself. When the association needed to employ administration and office employees, Mabedi again advised the CPA on how to advertise and recruit staff, and offered training.

The Moleteles learnt quickly, and the CPA is now represented in the boardrooms of their businesses. "Mabedi appointed a representative that will guide and advise our guys how decisions are taken in boardrooms," Mashile said.

It was not all plain sailing. "Government bought the farm in a very grey way, and I think that government will also acknowledge that. There was never a valuation done, never any specifications. Government bought the farm, and agreed with the previous people to plant an extra 100 hectares of citrus and would compensate them for it," says Nel. Two years later, 70% of these additional hectares were overgrown, and the negotiations took on greater complexity as Golden Frontier Citrus attempted to work out precisely what they were taking over, and what belonged to the previous owners.

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<sup>7</sup> Emile de Kock Programme manager of the Business Trust Mabedi programme

By and large, the Moletele properties are flourishing, according to Mashile. “We were handed over farms that were already commercial. We wanted to maintain or improve the status quo... Our people are employed – 66% of employees are from our own community – and the relationship between the CPA and the operating companies is very much healthy.”



The Moletele Community

He was also pleased with the results of the CPP model for structuring transactions. “It relieves government from ensuring communities get grants that are at times misused or diverted. We are self-reliant... It gives everyone freedom of mind. You don’t have to depend on another person to get it right,” he said, adding that investors also appreciated the model as they were able to operate the business as they thought best.

Nel is happy with the Richmond transaction so far. “Production is close to what we predicted. Our marketing returns are not as good as we predicted, but that is about the value of the rand.” Despite a thorough due diligence process, Golden Frontier Citrus also found themselves footing a R200,000 bill to repair machinery and a pump station. “Those things happen. It’s not too big.”

Erasmus Cornelius, senior manager for land restitution support in the Limpopo Department of Agriculture, agreed that the CPP model had been beneficial.

“We would prefer that the community became partners as soon as possible, or from the outset, he said.

Previous joint ventures had not run smoothly, with the operation’s success often dependent on government grants, which were late in coming, and that the community did not always have the necessary skills to contribute to a business.

“We realised we were over-optimistic, over-ambitious to do it that way,” Cornelius said. “The grant doesn’t flow when it’s supposed to flow, and that puts tremendous pressure on the partnership.”

He said the CPP model is best suited for transactions where the community does not yet have the necessary skills to be actively involved in a business, where the investment amount is large, and where government funding is in short supply. Transaction advisors and legal services – such as those provided by Mabedi – are imperative.

“Where the management and marketing is at a quite complex level, then this model is very suited to those conditions. When farms are not that intensive – cattle farms and so forth – the model is not required. Then it’s easier to get the community to run the operations, it’s not that complex,” he said.

As a private sector supplier, Mabedi's services also oiled the wheels of government. Cornelius explained that Richmond's previous owners had been granted a one year leaseback period, which was conditional on young orchards being maintained. However, they neglected their duties.

"Because of the Business Trust's involvement, we could appoint a commercial horticulturalist based in Hoedspruit, within one week, to do a detailed survey and report. We could advise the committee, retrieve the monies, based on the report which was released very fast," said Cornelius.

So far, around 18,000 people are registered Moletele beneficiaries. Mashile says the registration process is continuing, and the final number of beneficiaries and their dependents is likely to be around 30,000. Managing such a large number of beneficiaries is, he admits, challenging.

"Cash dividends will never work. What is important is job creation. If we can manage that well, it will be a good thing. We are not trying to operate for our own benefit, but for our future generations. We are laying the foundation for them to benefit."

The Moleteles have created 3,000 seasonal jobs since 2007, and another 700 permanent jobs. With most farms producing both citrus and mango crops, which ripen at different times, most seasonal workers are employed for nine months or even more of the year. They have started a stock-farming project and a computer training centre for local youth to help improve the prospects of beneficiaries.

"I usually tell people agriculture is not for the faint hearted. We need people who push themselves. You need financial backup. Without finances, you cannot make it in modern agriculture," Mashile says.

## The road ahead

As a result of the global economic recession, Hazyview's economy has come under severe pressure. Several restaurants in the area have closed, including a Nando's in nearby White River and a Wimpy in Nelspruit. Others are under pressure and may soon follow suit. Tourism slowed prior to the World Cup in June 2010 and only picked up gradually in September 2010. A hotel operator said travel agencies were asking his group to hold their rates for 2011 and 2012, while local business costs were increasing. "We're just trying to get through this year," he said.

This means times are likely to stay hard for the Sandford Trust, whose properties are too small for commercial farming and which, consequently, has invested mainly in tourism. "With the global economic crunch, our tourism ventures have suffered. We can't predict when it will turn around," Khoza acknowledged.

One day, tourists will return to the Kruger Park area, and perhaps then the trust's fortunes will improve. In the meantime, Khoza has taken matters into his own hands and has started a beekeeping project, training young entrepreneurs in business skills as well as honey production.

He agrees with the Moleteles that the emphasis needs to be on job creation, which develops skills and gives income.

"With an area like Sandford, it is really challenging to structure a direct financial benefit to each person. We have 4,223 hectares of land, with small pockets of enterprises. It's mostly cash crops and lodges. We are not making lots of money," he said.

An additional challenge is that Sandford's 1500 beneficiaries are dispersed across the country, which means that investing in schools and clinics would not benefit Sandford's owners. Financial return is the only real benefit possible for those who do not live in the area, unless they choose to return. Many people, he said, would have preferred cash compensation to restored land.

The Moletele community hopes that successful investment could fund bursaries, and perhaps property investment in the big cities. "We could earn money, plough it into the community, maybe build a community centre and proper roads. That is the dream that might be realised. We're looking at the Royal Bafokeng. If we manage this process now, it might yield more fruits than expected," says Mashile.

"Every community has different experiences with land restitution. Most are overwhelmed to have their land restored back to them. Hence there are power struggles, meddling, there is a lack of control, there is vandalism. The transition itself is not well monitored. The illusion is that this is our land, we can do what we want," he said.

How, then, can other communities apply the Moleteles' formula? It is all about trust and patience according to Mashile. "The most important lesson is that people need to listen, from the people advising them. You need to build a trust relationship with government and with private partners. You need to take everyone on board, wherever you are going. Patience is the most important factor. Don't plan for the short term or the medium term. This is a lifetime project, for the future generations to come. Don't say you need to benefit right now."

*For more on the Business Trust's work supporting land claimant communities, visit the legacy project at [www.vumelana.org.za](http://www.vumelana.org.za)*

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