



# **POLITICAL REPORT**

**BY ANC PRESIDENT  
JACOB G. ZUMA**



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**BY THE PRESIDENT OF THE AFRICAN NATIONAL CONGRESS  
COMRADE JACOB G. ZUMA**

**TO THE 54<sup>TH</sup> NATIONAL CONFERENCE OF THE ANC  
NASREC, GAUTENG – 16 DECEMBER 2017**

Deputy President Cde Cyril Ramaphosa and all National Officials of the ANC;

Members of the National Executive Committee;

Leadership of our Alliance Partners, the SACP and COSATU plus SANCO;

Leadership of all formations of the Mass Democratic Movement;

Representatives of all our fraternal organizations here present;

Religious and Traditional Leaders in our midst;

Representatives of the Business Community;

Members of the Diplomatic Corps and other observers;

Esteemed Delegates from all ANC structures, especially the Branches;

Comrades and Friends;

Fellow South Africans;

We convey warm and revolutionary greetings and welcome you all to this 54th National Conference of the African National Congress.

We gather again at this venue with fond memories as it was here that the ANC held the first consultative conference inside the country at the end of 1990, following decades of banishment, illegality and exile.

It was at this same venue as well where Nelson Mandela and Oliver Tambo addressed ANC members together for the first time after three decades, and where we first charted our path to power.

We are inspired by the history of the ANC that was made in this venue, as we chart the way forward for our movement.

Today also marks the fifty sixth anniversary of the establishment of the Revolutionary People's Army, uMkhonto we Sizwe.

We have in our midst the members of Umgwenya, the elite combatants of the Luthuli Detachment whose bravery was proven in the Wankie-Sipolilo campaign in Zimbabwe.

They were the first to meet the enemy forces in arm to arm combat battles.

Recalling this battle years later when delivering his political report, Oliver Tambo said: *"Our combatants together with their Zimbabwean comrades acquitted themselves heroically in battles against the combined Smith and Vorster forces. They carried out their mission gallantly and valiantly. We salute Basil*

*February, Patrick Molaoa, Andries Motsepe and other comrades who lie buried in the soil of liberated Zimbabwe”.*

On our national calendar, today is the National Day of Reconciliation on which we remind ourselves of our responsibility to promote unity and reconciliation, in the spirit of the Freedom Charter and the Constitution of the Republic.

Next year we shall celebrate the centenary of two remarkable leaders of our people who would turn 100 years old in 2018 had they lived - President Nelson Mandela and Mama Albertina Sisulu, the former co-President of the United Democratic Front.

The unity and true reconciliation of the South African people must be continuously pursued in the memory of such selfless leaders and many of our people who sacrificed immensely to achieve the free South Africa we live in today.

We wish all South Africans well on this important national day.

Comrades,

We had declared 2017 the Year of OR Tambo, in celebration of the life and times of this great unifier of our people who kept the ANC together in many decades in exile.

We express our sincere gratitude to all for the successful year-long celebration of the life and times of Comrade OR Tambo throughout the country, the continent and the globe.

As we begin this conference, in which we must attend to enormous challenges facing our movement and our country, we are reminded of OR Tambo’s counsel when he delivered his political report in Durban in June 1991, when he said:

*“We did not tear ourselves apart because of lack of progress at times. We were always ready to accept our mistakes and to correct them.*

*Above all we succeeded to foster and defend the unity of the ANC and the unity of our people in general.*

*Even in bleak moments, we were never in doubt regarding the winning of freedom. We have never been in doubt that the people’s cause shall triumph”.*

We should be inspired by the vision, character, wisdom and clarity of OR Tambo as we deliberate in this conference.

## ECONOMIC TRANSFORMATION

The 54th National Conference is convened under the theme: *“Remembering Tambo: Towards unity, renewal and radical socio-economic transformation.”*

We are building on the instructive theme of the 53rd conference in Mangaung, which was *unity in action towards radical socio-economic transformation.*

Going to that conference, we had become alive to the fact that the country needed to get onto a higher development trajectory in order to move more speedily to the national democratic society envisaged by the Freedom Charter.

We recognised that the project of nation-building and social cohesion made possible by the democratic breakthrough of 1994 was coming under threat.

It was clear that we had to implement more radical measures to realize the injunction of the Freedom Charter that the People Shall Share in the Wealth of the Country or alternatively, we had to accept that it would forever remain a dream.

In a word, radical socio-economic transformation underpins the policy framework of the ANC in this current phase of our struggle.

The ANC NEC lekgotla in January produced a definition of radical economic transformation.

We said it meant the fundamental change in the structure, systems, institutions and patterns of ownership, management and control of the economy in favour of all South Africans, especially the poor, the majority of whom are African and female, as defined by the governing party which makes policy for the democratic government.

Comrade Oliver Tambo had outlined this state of affairs decades before when he said:

*“We fight also for a South Africa whose wealth will be shared by its people equitably. We fight to abolish the system which obtains in our country today and which concentrates almost all productive wealth in the hands of a few, while the vast majority exists and toils to enlarge that wealth”.*

We must be mindful of the fact that the primary beneficiaries of the current socio-economic status quo will by nature be opposed to any talk of radical economic transformation, because it challenges and threatens the status quo and seeks to transform it fundamentally.

We have to act decisively, as doing nothing almost guarantees that there will be little progress in the resolution of the triple challenge of poverty, inequality and unemployment. On the other hand reckless action will plunge the country into deep economic and social distress.

We must tread carefully but act, because of the serious economic challenges facing our country currently.

The economy remains fragile. Economic growth of one point three per cent is projected for 2017, reaching two point two percent by 2019, supported by global growth, stabilising commodity prices and a modest recovery in business and consumer confidence. Improved policy implementation, which must be a key focus area in this conference, will improve the employment and investment outcomes.

In the 52nd national conference in Polokwane, the ANC called for a mixed economy, where the state, private capital, cooperative and other forms of social ownership complement each other in an integrated way to eliminate poverty and foster shared economic growth.

Conference directed that the state must play a central and strategic role, by directly investing in underdeveloped areas and directing private sector investment.

The ANC government has indeed been directed to utilise to the maximum, the strategic levers that are available to the state to achieve transformation.

These include legislation, regulations, licensing, budget and procurement as well as Broad-based Black Economic Empowerment Charters to influence the behaviour of the private sector and drive transformation. Conference will no doubt reflect on these and other instruments as we discuss the implementation.

The land question is a fundamental issue that the ANC needs to resolve and is a key factor in the transformation programme. This ultimate natural resource must be distributed in an equitable manner while enhancing its productivity and ensuring food security.

The ANC government has made considerable progress in the last five years especially in establishing a strong policy and legislative framework with regard to such matters as land tenure and the shift from "*willing buyer willing seller*" to "*just and equitable*."

The Office of the Valuer-General has been set up, which has begun to change the manner in which the calculation of fair compensation is done. A new Bill has been developed to amend the Expropriation Act. Two land audits have been carried out to build a fact base planning purposes.

With regards to human settlements, we have to move with speed to roll back the legacy of apartheid spatial planning which condemns the majority of our people to be born and bred in areas determined for them by the racist Group Areas Act.

With regards to the ownership of the wealth beneath the soil, the Mining Charter was reviewed to determine progress in the achievement of the target of 26% ownership by black persons by 2014.

Some progress has been made but it is patchy. The Revised Mining Charter of 2017 takes this into consideration and among other things, raises the targeted black ownership to 30%.

The challenges facing the mining industry and the need to have policy certainty require action from us as the governing party. Conference should give direction on the matter in a manner that does not destabilise the industry further because of its strategic role in the economy as a whole.

We also need to protect jobs in a difficult economic environment in the mining sector.

Our cadres in parliament should also ensure the finalisation of the Mineral and Petroleum Resources Development Act soon in the New Year to ensure policy finality in this sector.

Among the key obstacles to transformation are the high levels of concentration in the economy as well as the collusion or corporate corruption and cartels.

Comrades will know the deep and bitter legacy of economic collusion, which is equivalent to a form of corruption, from the days of apartheid, when companies meet secretly and decide on prices or divide markets among themselves. These cartels squeeze out small players and hamper the entry of young entrepreneurs and black industrialists.

Since the last National Conference, the Competition Commission has uncovered cartels in sectors as diverse as construction, steel, banking, automobile components, food markets, telecommunications and transport.

In the construction industry, more than 20 companies were exposed as being part of cartels that rigged their bids for the 2010 World Cup stadium and road projects. The Competition Commission has also investigated collusion by eighteen global and local banks, involving the foreign exchange markets.

Earlier this year, the Commission concluded its investigation into the banks and proceeded to the prosecution stage.

Market inquiries are currently taking place into the private healthcare industry and corporate practices in the grocery sector, including in shopping malls and townships, in the public transport sector and in the data-services sector.

As these are uncovered, serious concerns have been raised that corruption in the private sector is treated with kid

gloves, and is referred to in softer terms such as “*collusion*”, “*accounting irregularities*” or “*lapses in corporate governance*”.

Theft and corruption in the private sector is as bad as that in government and must be dealt with decisively by law enforcement agencies.

Corporate collusion is now a criminal offence, punishable with 10 years in prison, in terms of a new provision signed last year.

Legislation and institutions have been put in place by the ANC government to eradicate corruption in the public sector.

Since 2009, the President of the Republic has signed 84 proclamations authorising the Special Investigating Unit to investigate maladministration and corruption in government and state institutions.

The allegations made against some sections of the business community regarding the said capture of the state to advance business interests, will be probed further in a judicial commission of inquiry that we committed to establish as the ANC some time ago, in order to uncover the truth.

Let me emphasise that we need to find ways of protecting the ANC from corporate greed and ensure that the decisions we take are informed by the policies of the ANC and are not dictated to by business interests.

Already we have received threats that the ANC will implode and the economy will collapse if certain outcomes arise from this conference, be it conference resolutions on the economy or the leadership elected, if these are not those favoured by business.

The ANC has one hundred and five years of experience of managing contestation, which is an internal democratic process.

We must build a resilient ANC that can withstand such undue pressure and enable the ANC to conduct its organisational work freely.

Meaningful progress has been made through the ANC’s affirmative action and broad based black economic empowerment programmes and policies.

The ANC must attend to the issues affecting the black middle class such as racism in the workplace or business. Concern has been raised by many black professionals and businesspeople that stereotyping is being entrenched. Being black and successful is being made to be synonymous with being corrupt.

The ANC must promote black advancement and success and fight attempts aimed at frustrating and undermining black economic empowerment and affirmative action.

Access to finance for black entrepreneurs also continues to be a challenge. We need to reflect on this as we discuss the transformation of our development finance institutions.

### **ORGANISATION BUILDING**

I would now like to reflect on organisation building and renewal.

The 54th National Conference is taking place at a time when our movement is at a crossroads.

While we identify corporate greed as posing a serious threat to the ANC, we also need to look at internal dynamics within our organisations which makes it possible for external influences to pose a threat to the organisation.

The negative tendencies that have been creeping in since the dawn of our democracy in April 1994 in the ANC have intensified over the years.

They have now come to a head and are threatening the survival of the ANC.

As we intensify organizational renewal at this conference, let us be reminded of the words of Isithwalandwe Walter Sisulu who said: “*It is a law of life that problems arise when conditions are there for their solution.*”

The ANC is one hundred and five years old because it has always been able to rise to the occasion and deal decisively with problems that threatened its very existence.

We are called upon at this conference to solve our problems so that the ANC can focus on leading society.

The ANC remains a dominant force in the country in terms of being in control of the National Assembly, eight provincial legislatures, with one provincial legislature being in the hands of the opposition, following the 2014 national general elections.

We thank our people for putting their trust in the ANC in those national elections.

However, the outcome of the local government elections of 2016, which indicated a serious decline, were a stark reminder that our people are not happy with the state of the ANC. A substantial number of traditional ANC voters stayed away from the polls.

We lost three key Metropolitan municipalities – Tshwane, Johannesburg and Nelson Mandela while we run other through coalitions such as Ekurhuleni and Rustenburg.

In addition to the internal issues, our research also indicated the issues that our people are concerned with issues such as corruption, crime and unemployment.

The National Executive Committee meeting in the immediate aftermath of the announcement of the results attributed our loss of support to perceptions in society that we are soft on corruption, self-serving and arrogant.

It is clear that our failure to confront problems head on and solve them had begun to take their toll on the movement.

Previous national conferences identified the negative tendencies that we need to attend to effectively, and these still exist in the movement, undermining its standing in society.

The scourges of factionalism, gatekeeping, ill-discipline, membership buying, and infighting continued to afflict our movement.

The leadership had to spend a lot of time visiting provinces to attend to these problems instead of focusing on building the ANC and leading the country to prosperity.

Despite the challenges of the day, the ANC still represents the hopes, dreams and aspirations of the millions of our people who are marginalized and who are concentrated in the periphery of our mainstream economy.

A heavy responsibility rests upon the shoulders of delegates here and on the membership as a whole, to renew our movement and restore its timeless values – unity, selflessness, sacrifice, collective leadership, humility, honesty, discipline, hard work, internal debates and mutual respect.

Our people must see in the ANC an organisation that will take them to the life that was envisaged by the founding leaders in 1912. We can achieve that in the manner that we conduct ourselves and in which we deal with the problems facing the movement.

The ANC we build through our renewal programme, must project the picture of a country that is cohesive, and of a ruling party that knows where it is going. This means petty squabbles that take the movement nowhere need to take a back seat. Our people are frustrated when we spend more time fighting among ourselves than focusing on solving the day to day challenges they experience.

We should focus on the needs of our people. The ANC should once again be the first to know if there are problems in any community, and it is the ANC that must lead the process of finding solutions, working with government.

We should remember that our people love the ANC. They want to be part of the ANC and its programmes. This means that we should eradicate gatekeeping. It is killing our movement.

We should enable people join their movement and

participate in its activities. The ANC is the home of all our people, regardless of race, gender and class.

In all its manifestations, factionalism has become the biggest threat to the organization.

It is because of factionalism that we have seen the emergence of splinter groups over the past ten years which negatively affected our movement both quantitatively and qualitatively.

Slate politics, another manifestation of factionalism, has also cost us many good and capable comrades in whom our movement has invested significantly.

Ill-discipline has also continued to afflict the ANC which has taken new forms in the recent past, bordering on members publicly challenging the authority of the organisation.

There have also been worse incidents of ill-discipline where members openly side with, and work with opposition parties and other formations that are hostile to the ANC, against positions adopted by the movement.

We need to reaffirm the authority of the organization over its individual members. There should be consequences for any member who acts and speaks contrary to the values, principles and political programme of the ANC.

The relationship between the three arms of the state also needs scrutiny.

The ANC adopted the correct position that we need an activist parliament where employees of the party hold the executive to account as part of promoting good governance and the appropriate use of public resources, a role that has tended to be abused by opposition parties.

However, the strategy of how this should be done is not clear. This new role has to some degree created confusion with the role of the opposition parties that seek to discredit government at all cost.

The danger also exists for factional and personal interests to play themselves out in parliament to the extent of the ruling party even voting itself out of power if this is left unchecked.

We should also continuously guard against the use of parliament to entrench colonial and apartheid privilege and the exclusion of the majority from the enjoyment of the benefits of citizenship.

Conference must thus reflect on the kind of parliamentary culture the ANC espouses and the kind of strategies and tactics to be used so that we do not permit counter-revolutionary tendencies in parliament.

We should also be mindful of the fact that the media is an active participant with vested interests rather than an impartial and fair observer on ANC organisational matters.

The mobilisation of the media against the country and the ANC from Johannesburg to London, New York and Washington DC has gained momentum in recent months. We need to reflect on how to communicate with our people in a climate where forces hostile to the ANC control the means and platforms of communication.

Due to internal divisions and in pursuit of personal interests, some ANC members also actively use the media to fight personal battles against the ANC despite the fact that this damages the standing of the movement and the country internationally.

The role of the judiciary also requires reflection, especially in relation to the need to protect the Constitution as the supreme law of the land.

Judgements that give an impression that we can disregard the Constitution for political expediency or to solve what we regard as current problems, set a dangerous precedence which will make it difficult to govern in future, or to make ordinary citizens to abide by the Constitution.

We also frown upon the subjection of our internal organizational matters to court processes. ANC members should use internal dispute resolution processes. Judges should not be asked to dictate ANC organisational processes and the direction of the movement.

Comrades,

We appreciate the role that organs of civil society played in the struggle against apartheid and which they must indeed continue to play to build the South Africa of our dreams. We also welcome the role of nongovernmental organisations.

However, we have seen in the recent past the sporadic emergence of some civil society groupings that are mobilised on the basis of hostile opinions against the ANC. Some NGOs appear to exist merely to fight the ANC and the ANC government. They appear to be well-resourced and constantly take government to court to fight political battles.

Other formations appear to exist to protect white privilege and in particular to ensure the maintenance of the unequal economic relations in society, while pretending to be protecting the interests of our people as a whole including the poor and the working class.

We have also seen unusual activism from the private sector lately in support of such formations, with big business taking the unusual step at times to encourage workers to leave work with full pay, and march against the democratic government. The same employers adopt a no work no pay stance when the workers demand better wages and working conditions.

Let us improve our engagement with civil society and regain our role as the leader of society, and not allow the space to be utilised by those whose interests clash with those of the poor and the working class that the ANC leads.

The ANC mobilises certain sectors through the Leagues and we have to build and strengthen all our Leagues.

The ANC Youth League held its national congress in September 2015 and elected new leadership.

The ANC Youth League has championed radical economic transformation, a programme it formally adopted at its 2011 national conference and which was later adopted by the 53rd national conference of the ANC.

The Youth League also contributed in the articulation of the demand for free higher education for students from poor households and the working class, and also play an active role in the Progressive Youth Alliance.

They have also contributed to the development of the new policy for youth empowerment and youth by government and through the National Youth Development Agency.

The League is currently championing the intergenerational mix and the appointment of women in the leadership of the party.

The mother body needs to lend more focused support to the Youth League so that the League can continue to be torch bearers for the next generation of leaders of our movement.

One of the achievements of the ANC Women's League has been the launch of the young women's desk, ama-Younger Younger, which has worked to draw youth into the League.

The Women's League has also been active and has led several campaigns to reconnect the ANC with its membership and the communities we serve such as the *Molo Melwane/Makbelwane Campaign*.

The League also played a leading role in the celebration of the 50th anniversary of the 1956 Women's March to the Union Buildings.

The Women's League has also been vocal on developments within the ANC as well as the direction that the ANC must take as an organization, including promoting women candidature for the leadership of the ANC.

We have had three women cadres who availed themselves for the presidency of the ANC, for the first time ever. This is a major milestone for the ANC.

The Veterans League held a successful national conference in October this year following internal organizational challenges. The League should be supported so that it can play its role of providing counsel and guidance to the movement.

The UMKhonto Wesizwe Military Veterans Association continued its task of promoting the interests for former MK combatants including interacting with government to promote the socio-economic conditions and status of veterans and services such as housing, education and health care.

The integration of MK former combatants into society and the structures of the ANC remains a challenge, which should be looked into as part of our policy and programmes.

We also need to actively support other formations such as the Ex-Political Prisoners Association whose members, former Robben Island prisoners in the main, also require mainstreaming into ANC programmes and work.

Comrades.

The conditions of struggle have significantly changed since the 1994 democratic breakthrough.

Our movement unfortunately did not sufficiently analyse and prepare itself over the years for these changing conditions of struggle and how they would impact on the character and configuration of our Alliance especially with the SACP and COSATU.

The tensions that have built up over the years, at times as a result of dissatisfaction with the policy instruments adopted by the ANC and its government, have now come to a head.

In an unprecedented move, we saw in the past few months our alliance partners marching side by side with right wing forces who are historical opponents of our democratic revolution calling on the President of the ANC to step down. A decision was also taken by our allies to bar the President of the ANC from attending and/or addressing any of their gatherings.

Hardly three weeks ago, the SACP contested elections on its own working against the ANC in the Metsimaholo Local Municipality in the Free State.

It is important to note that this contestation followed an SACP congress resolution that the Party must actively contest elections and that the modality through which it contests may, or may not, be within the umbrella of a re-configured Alliance.

The party had made an important point that before implementing this resolution it would consult with the Alliance partners.

This conference must discuss these new developments and provide direction having given due regard to the proposals of the SACP around the reconfiguration of the alliance in line with the new conditions of struggle.

As we deliberate, we should remember the historic mission of the Alliance. We once again borrow from President Oliver Tambo who said on the occasion to mark the 60th Anniversary of the SACP, 30 years ago, that:

*“The relationship between the ANC and the SACP is not an accident of history, nor is it a natural and inevitable development. .... Ours is not merely a paper Alliance, created at conference tables and formalised through the signing of documents and representing only an agreement of leaders.*

*“Our Alliance is a living organism that has grown out of struggle. We have built it out of our separate and common experiences”.*

The relations with SANCO are cordial and the organization has become more stable since the last conference, and needs to be supported and strengthened.

## **SOCIAL TRANSFORMATION**

With regards to governance, progress has been made in several areas in the past few years by the ANC in government.

One of the key changes introduced was the establishment of the performance monitoring and evaluation as well as planning functions which has made it easier to organise work and to monitor work. The ANC needs to establish the same mechanism at headquarters in Luthuli House to fill the gap that exists currently.

The National Development Plan, adopted by the Manguang conference, continues to be the framework guiding government programmes and is being implemented by all departments.

The extension of basic services continued well as government implemented ANC policies. Many more

South Africans now have access to housing, water and electricity.

Close to a million households have been connected to the electricity grid since 2014.

Reliable water services have been provided to more than three hundred thousand households in 2017, while overall, access to water has increased from eighty percent in 2002 to eighty five percent in 2016.

More than a million households have been given access to decent sanitation since 2014.

Of concern are the reports that poverty levels in the country appear to be on the rise. The democratic government continues to provide a comprehensive safety net.

A total of seventeen million people have benefitted from social grants, the majority of whom, about ten million, are orphans and vulnerable children.

An agreement was reached between the SA Post Office and South African Social Security Agency on the payment of social grants.

On education, the creation of two stand-alone departments of education, focusing on basic and higher education respectively, has ensured undivided attention to each sector.

The ANC government has expanded access to free education for children from poor households. More than nine million children attend no fee schools and receive free meals at schools, which represents at least eighty percent of our schools.

Through the Accelerated Schools Infrastructure Delivery Initiative Project, government has completed over one hundred and thirty five new state-of-the-art schools in the Eastern Cape, Western Cape and other provinces, replacing mud schools and other inappropriate structures.

The matric pass rate improved to seventy two point five percent in 2016, up from seventy percent in 2015 and Bachelor passes have also increased. We are quite confident that these figures will further improve this year.

The percentage of individuals aged 20 years and older who have attained Grade 12 has been increasing consistently since 2002, expanding from twenty one percent in 2002 to twenty eight percent in 2016.

The proportion of South Africans with post-school qualifications increased from nine point three percent to fourteen percent between 2002 and 2016, making education a priority for our youth.

Importantly, the old methods of teaching and learning are being rapidly replaced as teachers and learners move towards the 21st century.

The ANC government launched the Operation Phakisa implementation programme in the Basic Education sector to promote the use of Information Communication Technology for teaching and learning.

Since this Phakisa programme was launched in October 2015, more than three thousand schools have been connected to the internet under the Universal Services Access Obligation project, requiring telecommunication companies to invest in communities.

A total of thirty one thousand teachers have been trained in various levels of Information Communication Technology skills.

The ANC government has also made progress in making higher education affordable and accessible to all. The National Student Financial Aid Scheme increased from two point four billion rand in 2008 to fifteen billion rand in 2017.

This year, more than four hundred and sixty thousand students were funded by NSFAS for both university and Technical and Vocational Education colleges (TVET) Colleges.

Despite significant and commendable contributions made over the years by NSFAS, thousands of young people from poor and working class households remain unfunded and underfunded.

The provision of free higher education and training for poor and working class students until the attainment of an undergraduate degree is a standing and binding resolution of both the 52nd and 53rd conferences of the African National Congress.

This morning we announced a plan for fee-free higher education for students from poor and working-class backgrounds, which will be implemented in a fiscally-sustainable manner, following the release of the Heher Commission of Inquiry into higher education.

Another key achievement in education has been the establishment of three universities in the past few years, with Mpumalanga and the Northern Cape gaining universities for the first time, and the country gaining a health sciences university in Tshwane.

Progress has also been made in the health sector over the years.

South Africa has the largest HIV treatment programme in the world with four point two million people on treatment. As a result, people are living longer. Life expectancy was fifty four years in 2008 and it is now sixty four years!

The Prevention of Mother to Child Transmission programme continues to ensure that we are able to reduce HIV transmission to newborn children. In 2004 more than seventy thousand babies were born HIV positive. In 2017 this reduced to four thousand two hundred.

The number of new HIV infections has also declined from three hundred and sixty thousand in 2012 to two hundred and seventy thousand in 2016. Whilst these achievements are significant much more remains to be done, especially in the area of preventing new infections.

We continue to improve the performance of clinics through Operation Phakisa Ideal Clinic Realisation and Maintenance programme. By the end of June 2017, eleven thousand clinics in the public sector had achieved ideal status, with amongst other features, good infrastructure, adequate staff, adequate medicine and supplies, good administrative processes and sufficient bulk supplies.

The country suffered a serious setback in health care and a monumental and painful tragedy occurred with the deaths of over one hundred mentally ill patients in Gauteng between March and December 2016 in Gauteng.

We look to the alternative dispute resolution arbitration process that is being presided over by retired Deputy Chief Justice Dikgang Moseneke to assist in reaching a final resolution to this tragic episode in our country.

The ANC extends deepest condolences again to the families.

While the ANC government has delivered water, electricity, housing, clinics, roads and other services, we know many other communities are still waiting. We should reflect here on how to speed up the pace and quality of the services provided to our people.

The deployment of competent and qualified personnel to lead government departments and state institutions, the promotion of good governance and the improvement in the performance of departments, state owned enterprises and other statutory bodies remain critical priorities.

We have to strengthen the capacity of the state and also support and turn around the non-performing and struggling state owned enterprises, for us to see more meaningful change in governance.

## **PEACE AND STABILITY**

In the peace and stability sector, the ANC government continued to safeguard democracy and to protect South Africans against all forms of crime.

Effective policing, effective courts, enhancing intelligence gathering mechanisms and strengthening anti-corruption measures have continued in the past five years.

Policing services have grown massively to meet the needs of all communities, especially those that were neglected under apartheid.

The ANC government continues to attend to the aftermath of the tragedy that befell our nation between 11 and 16 August 2012 at Lonmin Mine in Marikana, North West, which led to the deaths of about 44 people and injury of more than 70 people.

Government has received claims amounting to more than one billion rand relating to loss of support and injuries while others relate to wrongful arrest arising from the killing of thirty four miners by members of the SA Police Service.

This was a shocking and devastating episode in our young democracy. Negotiations are ongoing between government lawyers and those of the affected families and workers.

We urge companies to use the existing labour laws and mechanisms to deal with shop floor disputes. The police service must not find itself being accused of either defending corporate greed or supporting striking workers.

The training of the police service to manage protests continues in line with the post-Marikana Farlam recommendations.

Improved case-flow management systems implemented at the courts has improved access to justice.

Correctional Services has improved the quality of prison infrastructure, limited the number of escapes and reduced the number of awaiting trial detainees.

## **INTERNATIONAL RELATIONS**

We form part of the progressive forces of the world constantly in a battle against forces of imperialism, oppression and exploitation. There are naturally those within our borders and beyond who are fundamentally opposed to our objectives and who will stop at nothing to advance their interests which are antagonistic to ours.

Marx and Engels understood this phenomenon of contending forces very well when they wrote in the Communist Manifesto that:

*“The history of all hitherto existing society is the history of class struggles.*

*“Freeman and slave, patrician and plebeian, lord and serf, guild-master and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another, carried on an uninterrupted, now hidden, now open fight, a fight that each time ended, either in a revolutionary reconstitution of society at large, or in the common ruin of the contending classes.”*

We must emerge out of this conference having reached a minimum agreement on the general identity and characterization of those against whom we are struggling in South Africa, and the motive forces with whom we should advance the NDR.

Africa is becoming a battle ground for various global interests. Former liberation movements are most vulnerable at this period and need to work together to protect the gains of the liberation struggles in our region and continent.

When we first met in Nasrec for the first time since our unbanning the world was a completely different place.

It was towards the end of the Cold War and the divisions globally were clear – it was the East or West. The collapse of the Soviet Union and the Berlin Wall led to the creation of a uni-polar world in which the Western forces dominated.

When South Africa joined the global community it joined countries of the South and pushed for South-South cooperation and strengthened its relations with the developing countries in Latin America, and continued its membership of the Non-Aligned Movement.

With time, South Africa strengthened relations with our sister countries in the continent and also countries such as China, Brazil, India and Russia which led to the formation of both IBSA and later BRICS, which remains the new contender of a uni-polar world.

One of the key achievements of BRICS has been the establishment of the BRICS New Development Bank, which was suggested by South Africa on the side lines of the G20 Summit in France. South Africa will host the next BRICS summit next year and will take over the chairship.

Furthermore, we have been presented with an opportunity to pursue former President Mandela’s vision of strengthening relations and partnership among countries in the Indian Ocean Rim as South Africa assumed the chair of IORA for the period 2017 to 2019.

Globally, we continue to call for practical reforms of the global system of governance especially the undemocratic arrangement within the United Nations Security Council.

We must be serious about meeting the Sustainable Development Goals in a transformed and responsive world.

In our continent, we should reflect on our contribution in the region as current chair of the Southern Africa Development Community (SADC) and also in the programmes of the African Union.

Comrades

We need to continue supporting the various struggles of our comrades around the world.

We will continue to support the Cuban people in their quest for economic freedom, and against the devastating economic embargo.

Similarly, we continue to stand by the Palestinian people as they forge ahead under difficult circumstances in pursuit of their statehood and self-determination.

We reaffirm our support for the right of the people of Western Sahara to peace, self-determination and prosperity.

The re-admission of the Kingdom of Morocco to the AU enables direct engagement on the Saharawi question.

## CONCLUSION

All of us must contribute to making this conference a resounding success. As members of the ANC, we must give people reason to have faith and confidence in the movement, by the manner in which we seriously deal with the challenges facing our movement.

We should emerge from the conference united, as unity is the rock upon which the ANC was founded, and unity is what will make the ANC and South Africa succeed.

We have gone through an intense democratic process of stating our preferences for leadership in the branches.

For the first time, we had seven comrades availing themselves for the Presidency and campaigning openly, which yet again proved the internal democracy within the ANC. It also demonstrated that our movement is not short of leaders.

I had a constructive comradely meeting with the seven comrades in what has been dubbed the Last Supper.

We discussed and agreed that they shall promote unity and that they will work together to ensure a successful conference and that they would abide by the outcome of the conference.

We must all unite behind the leadership collective that will be elected here, regardless of our original preferences.

At the end of the conference, the movement must be the winner and not individuals.

Comrades.

Let me thank the outgoing National Executive Committee and the National Working Committee in which I have served. Together we engaged with and handled difficult and sensitive matters.

The NEC has proven to me that in the ANC, we can fundamentally differ on certain issues but still remain Comrades.

Given our experiences, I am convinced that the ANC will sail through the current rough and stormy seas and ultimately emerge even stronger.

Let me also thank the National Officials. Having been a National Official of the ANC for the past twenty six years, I have not seen a team of National Officials more active and hardworking than this outgoing Top six.

I also thank the ANC membership and all our branches, the provinces, regions and indeed all structures of the movement, the Leagues and our Alliance partners.

It has been a real honour and privilege to lead this glorious movement.

I thank you all sincerely for the opportunity.

I now declare the 54th National Conference of the African National Congress officially open!

*Amandla!*

*Matla!*