



RAMA CPA REPORT

PORTFOLIO COMMITTEE ON RURAL DEVELOPMENT AND LAND REFORM

20 MARCH 2018



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Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA

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BACKGROUND

- The Rama CPA was registered in 2002 as a holding entity for a Restitution claim
- The CPA members are part of the Bakgatla ba Mmakau community in NW
- Two farms measuring 754 hectares were acquired for R15 087 952
- Rama CPA report to the committee – 4 November 2015 – court case interdicting the Department from holding an AGM
- CPA executive given 60 days to hold an AGM supervised by the department. The committee failed to hold the AGM
- DRDLR struggled for months to organize an AGM (as per court order) due to intimidation of community members by CPA executive committee (Kidnapping & assault)



DISCUSSION

- DRDLR decided on a two pronged strategy to intervene on the affairs of the CPA
 - A panellist was appointed (Ledwaba Mazwai attorneys) through the LRMF to regularize the CPA and facilitate an AGM.
 - The panellist efforts failed because of lack of cooperation from the CPA executive committee and delaying tactics they employed through their attorneys
 - Ledwaba Mazwai attorneys provided the department with a closeout report recommending placing the CPA under administration
- Another panelist (Nalani Maharaj) was to be appointed apply for an interdict to stop the sale of stands pending the departmental processes.
 - The court didn't grant the interdict sighting that the matter wasn't urgent



DISCUSSION cont.

- ❑ The close-out report has since been received from Ledwaba Mazwai attorneys (the panelist that was appointed through the Land Rights Management Facility to regularize the CPA), and the following findings are indicated: (***Regularization Process***)
 - The land that had been awarded to the CPA in settlement of the restitution claim had been purchased by Rama Horizons Development (Pty) Ltd with a mortgage bond of R20 000 000.00 (Twenty Million Rand). The properties were subsequently consolidated and registered as a long-term lease.
 - The property was then sold to Rama HD Investments (Pty) Ltd for a meagre R500 000.00
 - The Rama CPA therefore does not own any land because all the land has been sold and transferred allegedly without the consent of the CPA members.
 - The current chairperson of the executive committee is an active director of both Rama Horizons Development (Pty) Ltd and Rama HD Investments (Pty) Ltd.



DISCUSSION Cont.

- Based on the contents of the close-out report (Ledwaba Mazwai attorneys) which detailed a prima-facie case of maladministration and corruption. A submission was compiled requesting the Acting Director-General to place Rama CPA under administration. The submission was approved in December 2017
- the Provincial Shared Service Centre: Gauteng (PSSC: G) forwarded it to the Legal and Legislation Development Unit of the Department to proceed with the Administration process. The Legal and Legislation Development Unit subsequently instructed the Office of the State Attorney to proceed with the administration application and this legal process is pending.



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DISCUSSION Cont.

- ***The process of interdict to prevent future selling of land:***
- In relation to the interdict to prevent future sale of stands on the land awarded to Rama CPA, Ms. Maharaj attempted to engage the attorney of record representing the current executive committee of the CPA.
- She has advised that when leaving the meeting with the aforementioned attorney, her vehicle was pushed off the road and she was shot at by people she suspects are linked to those in control of the CPA assets. According to her, her vehicle was written off in the incident and a case has been opened with the South African Police Services.



DISCUSSION Cont.

- Despite the DRDLR (Director of Land Tenure and Administration) having engaged the City of Tshwane Metropolitan Municipality in order to sensitize them on the circumstances surrounding the CPA and requesting that any funding or development approval be halted on the land. The Province and CoT continues to support and endorse the activities of the CPA
- On 15 February 2018, Gauteng Premier, Mr David Makhura launched a R10 Billion housing development called the Rama city.



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CONCLUSION

- The Administration Process is likely to be a lengthy legal process, however it will unearth any further irregularities relating to the CPA.
- Since the land that was awarded to the CPA has already been transferred to another private legal entity, the placing of Rama CPA under administration would not freeze developments on the land that was awarded to the CPA, and it was for this reason that the attorney was appointed for the urgent interdict to prevent future sale of stands on the land awarded to the CPA.
 - However since the court has not considered the matter as urgent, and since developments are continuing on the land, other mechanism are required to halt the developments on the land, especially in light of the launch of the development by Premier Makhura.
 - The Legal and Legislative services unit will be consulted for advise.
- The PPC will be updated in relation to developments with the administration process and the interdict.



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