



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

PRESENTATION TO THE PORTFOLIO COMMITTEE ON DEFENCE WRT THE STATUS OF CORRUPTION & FRAUD CASES IN THE DOD

PRESENTER: R ADMIRAL (JG) M.A. MAPHOTO
PROVOST MARSHAL GENERAL



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

FORENSIC AUDITS ON IRREGULAR EXPENDTURE

S/N	DESCRIPTION	VALUE	STATUS OF INVEST
	a	d	e
1	1 Military Hospital Refurbishment.	RM10	Investigation completed. Report submitted to the HAWKS. DPCI HQ Enquiry no 02/09/2021. Investigation continues
2	Irregular Awarding of contract to PWC on the DOD Assets Management.	RM604 531	Investigation completed. Report was referred to Chief Logistics to implement Forensic recommendations
3	Catering School irregular expenditure.	R561 120.00	Report is provided to Chief Logistics to implement Forensic recommendations

2022/05/25

CONFIDENTIAL

2



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

FORENSIC AUDITS ON IRREGULAR EXPENDTURE (Cont)

S/N	DESCRIPTION	VALUE	STATUS OF INVEST
	a	d	e
4	Asset Management Contract	RM447 290	The investigation has been finalised internally. Report was referred to C Log to implement Forensic recommendations
5	TLCM Contract	RM239 040	Forensic investigation completed. Matter to be referred to DPCI for further investigations. C log to execute the Forensic recommendations and to implement consequence management



CONFIDENTIAL



DOD STATUS REPORT ON FRAUD AND CORRUPTION

S/N	Description	Inv Commencement Date	Fin Year	Amount R'000	Status
6	2 x ICT Service and licenses, Bids were not evaluated according to the criteria stipulated in the bid documentation WTKLF MP CAS 09/07/2019	07/2019	Prior Years 2018/2019	RM216 714	Cases are registered with the WTKLF Military Police (CAS 09/07/2019) and SIU and the HAWKS are currently busy with the investigations. The service provider conceded that they over charged the Department with RM41 and entered into a mutual agreement with SIU to pay back the RM41 and an acknowledgement of debt was issued. SIU is in the process of collecting the RM41 with interest. Investigation is in process against the relevant role players. Under investigation.
7	None Compliance with the mandatory pre-qualifying criteria Dequar MP CAS 07/11/2017	11/2017	2018/2019	RM105 000	On 14 October 2021 the Director of Umkhombe Marine (Pty) Ltd was arrested after a Warrant of Arrest was issued. The accused appeared in the Special Commercial Crime Court and was released on R80 000 bail. The case was postponed to 09 December 2020 for disclosure and again postponed to 12 April 2021. It was again postponed to 6 December 2021. Postponed to 28 February 2022. Postponed to 29/04/2022 , Postponed to 03/06/2022 .



CONFIDENTIAL



DOD STATUS REPORT ON FRAUD AND CORRUPTION (Cont'd)

S/N	Description	Inv Commencement Date	Fin Year	Amount R'000	Status
8	Corruption at CPSC Eco Park. Procurement of PPEs. WTKLF MP CAS 03/03/2022	03/2022	2021/2022	RM 14 620 000,00	A letter was sent to National Treasury to assist with Presentation of Transversal Contracts. A request was also sent to Director Procurement Management assist with interpretation and transgression of Procurement Policies. On the 22 April 2022 National Treasury made a Presentation to LEGSATO Prosecutors and SIB investigators about Transversal Contracts. National Treasury will also submit a statement in terms of Transversal Contracts and Deviations.



STATUS OF CORRUPTION AND FRAUD CASES FINALISED



S/N	DESCRIPTION	COMMENCEMENT DATE	SERV/DIV	VALUE	STATUS OF INVESTIGATION
1	<u>Fraud</u> . Documentation were used to commit Company Fraud at GP 15 TT MP CAS 08/03/12	09/03/2012	SA Army	R250, 000.00	On 24 February 2021 suspects confirm to the Investigator that they want to confess in this matter arrangements to be made with the Magistrate Court due to Covid 19 no date confirmed yet. Declined to prosecute by Pretoria Magistrate Court on 14/06/2021 due to unavailability of evidential material.
2	<u>Fraud</u> . Creating fraudulent IAE and draw money at Joint Tactical HQ MDB MP CAS 01/10/12	02/10/2012	SA Army	R127, 000.00	The accused passed away the case docket has been finalised as Withdrawn.



STATUS OF CORRUPTION AND FRAUD CASES FINALISED (Cont)



S/N	DESCRIPTION	COMMENCEMENT DATE	SERV/DIV	VALUE	STATUS OF INVESTIG
3	<u>Fraud and Corruption.</u> A member from the Procurement Section at ASB Makhado was awarding tenders to his child and his friends MKD MP CAS 04/02/2013	01/04/2013	SAAF	R700, 000.00	Case docket still with the SCCU for decision on 15 May 2019 the Investigator still awaiting feedback from Advocate Wydeman. Follow Up letter was send to SCCU on 26 August 2021. Nolle Prosequi by Makhado Magistrate due to SAAF Forensic audit report stating that there was no intent to commit Fraud
4	<u>Fraud.</u> Suspects handed in fraudulent receipts for accommodation DEQ MP CAS 01/03/2013	01/03/2013	SA Army	R305, 000.00	Case docket still with Senior Public Prosecutor at SCCU for decision. Case docket handed over on 22 February 2021. Withdrawn by Pretoria SCCC on the 14 February 2022 due to two contradicting deployment Orders handed in as evidence. Coupled with CAS04/03/2015



STATUS OF CORRUPTION AND FRAUD CASES FINALISED (Cont)

S/N	DESCRIPTION	COMMENCEMENT DATE	SERV/DIV	VALUE	STATUS OF INVESTIGATION
5	<u>Fraud.</u> Submitting fraudulent Last Will and Testament at Bank of Lisbon Pretoria HDSP MP CAS 01/03/2013	01/03/2013	SAAF	R150, 000.00	MPD Investigation continues as more bank statements need to be obtained via Sec 205. The investigation is still continues in this matter. No information that can lead to arrest of suspect. Case is prepared for closure.
6	<u>Fraud and Corruption.</u> Fraudulent documents were used to purchase medical equipment DEQ MP CAS 03/10/2014	07/10/2014	SAMHS	RM1	The IO received the case docket back on 11 February 2021 from CCC with the decision that there is no prospect of successful criminal prosecution however, there are evidence that fruitless and wasteful expenditure was incurred. Case docket taken for review



CONFIDENTIAL



STATUS OF CORRUPTION AND FRAUD CASES FINALISED (Cont)

S/N	DESCRIPTION	COMMENCEMENT DATE	SERV/DIV	VALUE	STATUS OF INVESTIGATION
7	<u>Fraud</u> . Suspects handed in fraudulent receipts to claim accommodation DEQ MP CAS 04/03/2015	18/03/2015	SA Army	R112 000.00	The case docket was handed over to the SCCC for decision on 22 February 2021 awaiting feedback. Withdrawn on the 14 Feb 2022. due to two contradicting deployment Orders handed in as evidence.
8	<u>Fraud and Corruption</u> Fraudulent documents were processed for the transfer of payments (Seeding Forms) at ASB Limpopo over period 2012 to 2015 PLK MP CAS 04/05/2015, PLK MP CAS 01/08/15	22/05/2015	SA Army	RM5	MPD Investigation is finalized. As soon as all Phase 1 case dockets have been finalized in Court this case will be discussed with the Advocate for further instructions. Case was Nolle Prosequere on 01/12/2020. Suspect deceased .



STATUS OF CORRUPTION AND FRAUD CASES FINALISED (Cont)

S/N	DESCRIPTION	COMMENCEMENT DATE	SERV/DIV	VALUE	STATUS OF INVESTIGATION
9	<u>Fraud</u> . It is alleged that the Cashier is producing duplicate Part 2 Orders for reconciliations TT CAS 25/07/18	27/07/2018	SA Army	R515,600	Accused found guilty and sentenced to 5 years imprisonment which is suspended for 3 years.
10	<u>Fraud</u> . Music equipment was procured in a fraudulent manner during March 2017 at the Army Band Wynb CAS 01/08/2017	10/08/2017	SA Army	R590	Docket was referred back from Legsato. Case will be closed as the suspect is deceased. Docket will be handed over to Wynberg for closure. Docket closed on 14 May 2021. Case withdrawn by LEGSATO on 30/06/2021



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

SUMMARY OF CASES IN THE DOD: FRAUD AND CORRUPTION

Sr No	SERVICES/DIVISION	VALUE
1	SA ARMY	RB1 065 811 573.90
2	SA AF	RM45 000 000
3	SA NAVY	RM295 778 853.08
4	SAMHS	RM58 397 106.39
5	CJ OPS	RM138 318 000
6	DI	RM4 000 000
7	C LOG	RM400 000 000



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

SUMMARY OF CASES IN THE DOD: FRAUD AND CORRUPTION

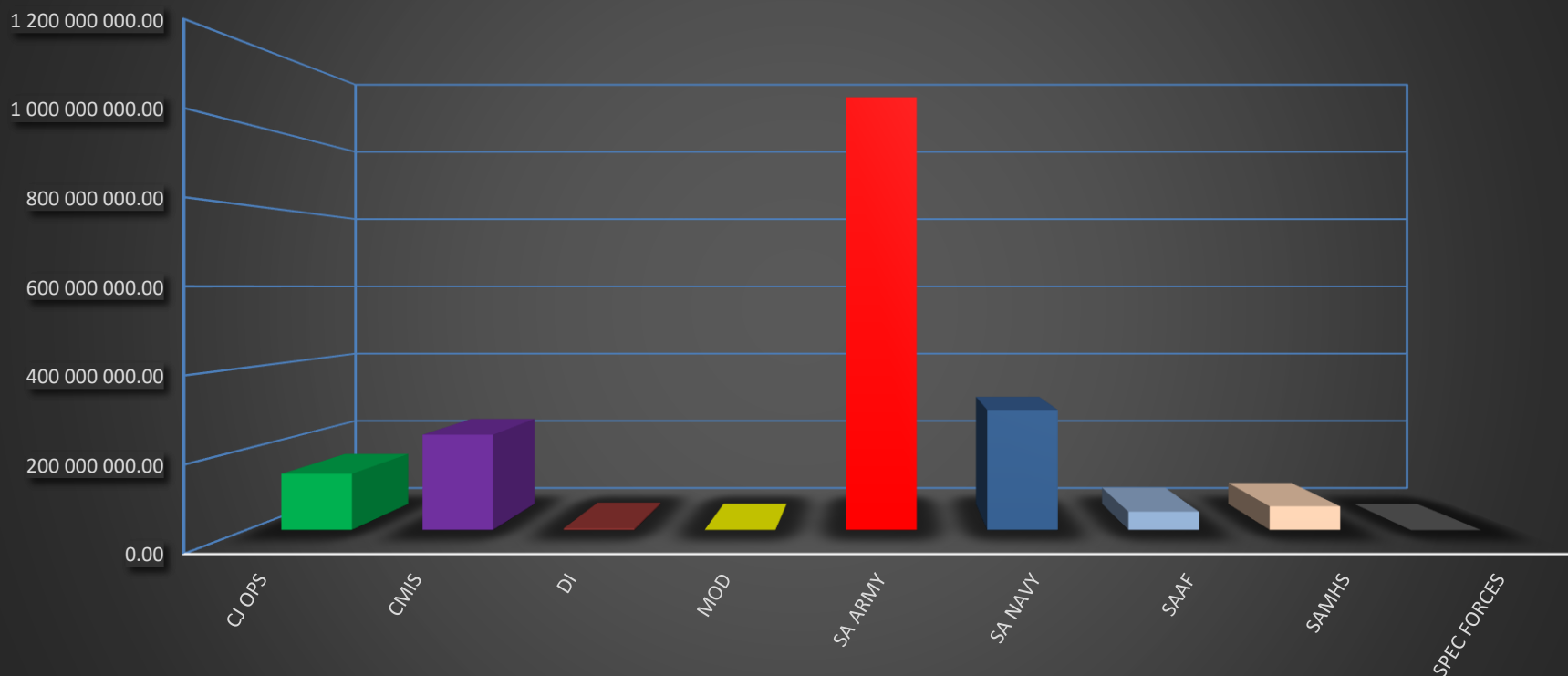
Sr No	SERVICES/DIVISION	VALUE
8	CMIS	RM234 614 000
9	SPECIAL FORCE	R182 000
10	OFFICE OF THE FORMER MOD	R937 000
TOTAL		RB2 243 038 534



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

CORRUPTION AND FRAUD EXPENDITURE





UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

CONVICTIONS

S/N	SERV/DIV	TOTAL	FINES
1	SA Army	3	R12 000.00
2	SAMHS	3	R13 000.00
3	SAAF	2	R7 500.00
4	CJ Ops	1	R3 000.00
5	Special Forces	1	R341 670.77
6	Log Div	2	R11 000.00
7	SA Navy	1	R4 000.00
	Grand Total	13	R392 170.77



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

OFFICIALS ON SUSPENSION

S/N	Rank & Name	Date Suspended	Serv/Div	Value
1	Maj Gen	12/12/2017	SA Army	RM4,182, 077
2	Brig Gen	21/12/2017	SA Army	RM3, 455, 936
3	Col	12/12/2017	SA Army	RM3, 039, 775
4	Col	3/10 2019	SA Army	RM1, 164, 943
5	Col	9/04/2010	SAAF	RM8, 388, 537
6	Col	27/03/2020	SAMHS	R920, 859
7	Col	15/10/2020	SAMHS	R397, 134
8	Col	25/01/2021	SAMHS	R95, 120



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

OFFICIALS ON SUSPENSION (Cont)

S/N	Rank & Name	Date Suspended	Serv/Div	Value
9	Lt Col	24/01/2018	SA ARMY	RM1, 829, 980
10	Lt Col	09/12/2015	SA ARMY	RM2, 796, 376
11	Capt	17/01/2019	SA ARMY	R709, 697
12	WO1	19/08/2019	SA ARMY	R651, 127
13	Sgt	17/06/2011	SAAF	RM2, 159,146
14	Pte	21/05/2007	SA ARMY	RM2, 022, 234
15	Pte	10/02/2011	SA ARMY	RM1,709, 883
16	Pte	28/12/2009	SA ARMY	RM1, 800, 262
17	Amn	09/04/2014	SAAF	R515, 334



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

OFFICIALS ON SUSPENSION (Cont)

S/N	Rank & Name	Date Suspended	Serv/Div	Value
18	Cpl	6/09/2013	SA ARMY	0
19	Sgt	6/09/2013	SA ARMY	0
20	Cpl	11/10/2013	SAAF	0
21	Maj	10/07/2018	SAMHS	RM1, 127, 513
22	Sgt	10/07/2018	SA ARMY	R748, 567
23	Lt Col	5/06/2018	SA ARMY	RM1, 421, 595
24	Capt	15/05/2018	SA ARMY	R972, 856
25	Sgt	15/05/2018	SA ARMY	R719, 881
26	Sgt	15/05/2018	SA ARMY	R691, 942



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

OFFICIALS ON SUSPENSION (Cont)

S/N	Rank & Name	Date Suspended	Serv/Div	Value
27	Sgt	15/05/2018	SA ARMY	R823, 644
28	Capt	30/07/2018	SA ARMY	RM1, 057, 888
29	Capt	16/10/2019	SA ARMY	R528, 656
30	Capt	30/12/2019	SA ARMY	R383 791
31	WO1	23/12/2019	SA ARMY	R714 494
32	WO1	28/12/2019	SA ARMY	R572 969
33	Sgt	5/02/2019	SA ARMY	R273 536
34	Capt	5/02/2019	SA ARMY	R369 237
35	2Lt	5/02/2019	SA ARMY	R241 105



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

OFFICIALS ON SUSPENSION (Cont)

S/N	Rank & Name	Date Suspended	Serv/Div	Value
36	S SGT	2020/02/05	SAMHS	R368 146
37	PO	2020/02/05	SAN	R288 139
38	PO	2020/02/05	SAN	R288 139
39	PTE	2020/02/05	SA ARMY	R222 737
40	PTE	2020/02/05	SA ARMY	R222 737
41	MAJ	2020/04/02	SA ARMY	R400 690
42	CPO	2020/05/21	SAN	R250,865.14
43	AB	2020/09/08	SAN	R200,111.70
44	PO	2020/10/12	SAN	R256,753.11



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

OFFICIALS ON SUSPENSION (Cont)

S/N	Rank & Name	Date Suspended	Serv/Div	Value
45	PO	2020/11/27	SAN	R223,994.56
46	CPO	2020/12/21	SAN	R252,943.11
47	CPO	2020/12/21	SAN	R294,350.55
48	PO	2021/12/03	SAN	R280,235.77
49	S SGT	2021/03/23	SAMHS	R281,939.11
50	MAJ	2020/05/27	SAMHS	R355,770.57
51	MAJ	2020/04/20	SAAF	R431,169.37
52	WO2	2020/02/30	SAAF	R298,260.37
53	F SGT	2020/02/30	SAAF	R265,818.06



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

OFFICIALS ON SUSPENSION (Cont)

S/N	Rank & Name	Date Suspended	Serv/Div	Value
54	CPL	2020/04/23	SAAF	R216,876.63
55	CPL	2020/11/16	SAAF	R206,476.80
56	AMN	2020/07/07	SAAF	R153,975.84
		TOTAL		RM30 601 843.69



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

OFFICIALS ON SUSPENSION PUBLIC SERVICE ACT PERSONNEL

S/N	Rank & Name	Date Suspended	Value
57	PSAP	2017/11/06	RM1 198 046
58	PSAP	2018/07/09	R957 149
59	PSAP	2018/09/03	R544 503
60	PSAP	2018/09/05	R603 032
61	PSAP	2018/11/03	R245 849
62	PSAP	2019/02/28	R211 856
63	PSAP	2019/02/28	R224 856
64	PSAP	2019/02/28	R231 658
65	PSAP	2019/02/28	R264 864
66	PSAP	2019/02/28	R241 604
TOTAL RM4, 723, 418			



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

OFFICIALS ON SUSPENSION PUBLIC SERVICE ACT PERSONNEL

S/N	OFFICIALS	VALUE
1	KEY OFFICIALS TOTAL	RM21,644,380
2	SERVICES / DIVISIONS TOTAL	RM30,601,843.69
3	TOTAL PSAP	RM4, 723, 418
	GRAND TOTAL	RM56,969,641.69



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

CONCLUSION

The Department of Defence remains committed to the fight against corruption and fraud.



UNITY IS STRENGTH

Umanyano ngamandla! Kapano Ke Maatla!

QUESTIONS AND DISCUSSION



Unity is Strength

Umanyano ngamandla! Kapano Ke Maatla!