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PRESENTATION TO THE STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) ON THE STATUS OF INVESTIGATIONS RELATING TO REFERRALS BY THE SPECIAL INVESTIGATING UNIT, STATE CAPTURE AND THE NATIONAL SKILLS FUND

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Presentation by: Lieutenant General (Dr/Advocate) SG Lebeya (SOEG):
National Head of the Directorate for Priority Crime Investigation



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MANDATE OF THE DPCI

In terms of Section 17D of the South African Police Service Act, the Mandate of the DPCI is as follows:

- (1) The functions of the Directorate are to **prevent, combat and investigate**—
 - (a) **national priority offences**, which in the opinion of the National Head of the Directorate need to be addressed by the Directorate;
 - (aA) offences referred to in Chapter 2 and Section 34 of the Prevention and Combating of Corrupt Activities Act (PRECCA), 12 of 2004;
 - (2) If, during the course of an investigation by the Directorate, evidence of any other crime is detected and the National Head of the Directorate considers it in the **interests of justice, or in the public interest**, he or she may extend the investigation so as to include any offence which he or she suspects to be connected with the subject of the investigation.

Section 17A of the Police Act defines “National Priority Offence” as organised crime; crime that **requires national prevention or investigation**; crime that **requires specialised skills** as referred to in section 16(1) of the SAPS Act. The priorities are cross-cutting. One cannot occur without affecting the other(s) and because of this, the DPCI specialises in **project investigations** which draws in the investigative expertise of multiple investigators in different environments.



Introduction and purpose

- The Directorate for Priority Crime Investigation (DPCI) received an invite **in line with the provisions of section 17K(1) of the South African Police Service Act 68 of 1995**, from the Standing Committee on Public Accounts (SCOPA) to brief the committee on the progress made by the Special Investigating Unit relating to the **State Capture matters and investigations conducted on the Department and Entities as listed below**:
 - Passenger Rail Agency of South Africa (PRASA)
 - Eskom
 - Department of Water and Sanitation
 - South African Airways (SAA)
 - Transnet
 - South African Broadcasting Corporation (SABC)
 - Denel
 - National Skills Fund (NSF)
- The reported offences include: Fraud, forgery, theft, corruption and money laundering, damage to essential infrastructure, intimidation, theft of copper cables & possession of suspected stolen goods, theft of diesel, theft of coal, bomb threat etc.
- New charges may be added as the investigation unfolds.



SECTION 1

Special Investigating Unit Referrals

SUMMARY OF CASE DOCKETS/ENQUIRIES: SIU REFERRALS

LEGEND

Number of cases/enquiries on hand 45

- Number of court cases: 7
- Number of cases pending decision from NPA: 4
- Number of enquiries pending decision from NPA: 1
- Number of cases under Investigation: 33
- Number of cases provisionally withdrawn from court 1
- **Finalised cases:** 1
 - o *Declined to prosecute* : 1

SUMMARY OF CASES AND ESTIMATED AMOUNT INVOLVED

STATUS	COURT DOCKETS		CASES SUBMITTED FOR DECISION		CASES UNDER INVESTIGATION		FINALISED	
	NO OF CASES	VALUE / POTENTIAL VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE
PRASA		-	-	-	1	R4 024 000 .00	-	-
ESKOM	5	R13 023 319.57	2	R7 014 940.00	12	R141 523 043.96		
WATER & SANITATION			2	R 54 595 723.81	15	R3 124 184 651,69	0	
SAA	-	-	1	R6 200 000.00	-	-	-	-
TRANSNET	-	-	-		3	R127 500 000.00	-	-
SABC	1	R18 290.00			2	R55 000 000.00	1	TBD
DENEL	-	-	-	-	1	R3 000 000 000.00		
TOTALS	6	R13 041 609.57	5	R67 810 663.81	34	R6 452 231 695.65	1	

OVERVIEW OF CASES PER PROVINCES

Province	No. of Cases on hand	No. of cases in court	No. of cases submitted for decision	No. of cases under investigation	Finalised cases
Eastern Cape	13	3	1	9	0
Gauteng	10	1	2	7	1
KZN	7	0	1	6	0
Limpopo	4	0	0	4	0
Mpumalanga	7	0	1	6	0
Western Cape	2	2	0	0	0
Northern Cape	2	0	0	2	0
TOTALS	45	6	5	34	1

CASES REFERRED BY SIU BUT FOUND THAT INVESTIGATIONS ALREADY EXIST IN THE DPCI

Allegations on one referral from SIU were already under investigation in the DPCI on **Bedford-view CAS 345/08/2017**.

The matter is pending at court - **remanded to 2024-05-23**



ESKOM

SUMMARY ON STATUS OF ESKOM CASES

STATUS OF CASE DOCKETS	NUMBER
Cases on hand	19
Cases pending at court	5
Cases submitted for decision	2
Cases under investigation	11
Cases finalised	0
Cases provisionally withdrawn from court (currently under investigation)	1

ESTIMATED AMOUNT INVOLVED: ESKOM CASES

STATUS	COURT DOCKETS		CASES SUBMITTED FOR DECISION		CASES UNDER INVESTIGATION		FINALISED	
	NO OF CASES	VALUE / POTENTIAL VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE
ESKOM	5	R13 023 319.57	2	R7 014 940.00	12	R141 523 043.96	0	

ESKOM

Case number	Mount Road Cas 311/09/2021	<p>SYNOPSIS OF CASE</p> <p><u>Clerk at the Eskom Office in Gqeberha processed false readings</u></p> <p>The accused was employed at Eskom Office, Gqeberha during the period March 2011 to May 2021 as a Senior Billing Clerk. The accused was responsible for the processing of electricity meter readings on the billing system. The latter readings were captured by route contractors at customers' sites on handheld devices and forwarded to her electronically. The accused then had to bill the customers for electricity usage in accordance to the readings. The accused, however made a misrepresentation to Eskom, in that she unlawfully and intentionally processed false readings on the billing system for which the customers were billed for lower electricity usage. Thus causing Eskom a financial loss of R11 841 319.57.</p> <p><u>Current status</u></p> <p>The case is remanded to 2024 -01-24.</p>
Offence	Fraud	
Date Reported	2021-09-20	
Date of Referral to DPCI	2021-09-20	
Loss involved	R11 841 319.57	
Entity/Individual involved	Liesl Wolmarans South African	
Number of charges	172 counts	
Number of statements obtained	10	
Investigating officer	1	
Prosecutor assigned	1	

ESKOM

Case number	Mount Frere CAS 56/05/2018	<p>SYNOPSIS OF CASE</p> <p>The suspects allegedly reconnected electricity fraudulently from Eskom by unlawfully and intentionally tempering, damaging and colluded with one another in this act.</p> <p><u>Current status</u></p> <p>The case is remanded to 2023-11-20 for trial.</p>
Offence	Fraud	
Date Reported	2016/02/29	
Date of Referral to DPCI	2018/05/08	
Loss involved	Nil	
Entity/Individual involved	1.Zanemvula Adolphus Magabitshana 2.Notemba Millicent Mpiti 3. Mkululi Wiseman Ntshangase	
Number of charges	01	
Number of statements obtained	10	
Investigating officer	1	
Prosecutor assigned	1	

ESKOM

Case number	MTHATHA CAS 261/05/2019	<p>SYNOPSIS OF CASE</p> <p>It is alleged that people connected to ESKOM electricity network structure illegally.</p> <p><u>Current status</u></p> <p>The case is remanded to 2023-11-22 to 23.</p>
Offence	Fraud	
Date Reported	2018/01/20	
Date of Referral to DPCI	2019/05/20	
Loss involved	R376 000,00	
Entity/Individual involved	John Tazvivinga	
Number of charges	01	
Number of statements obtained	10	
Investigating officer	1	
Prosecutor assigned	1	

ESKOM

Case number	Bredasdorp CAS 85/11/2021	<p><u>SYNOPSIS OF CASE</u></p> <p>On 2021-11-14, information from Crime Intelligence (CI) that Kay-Ann Olkers stole copper cables valued at R306 000-00 from Eskom and her husband sold it to a scrapyard. DPCI: EPR visited residential address of Kay-Ann Olkers at 20 Carnation Avenue, Bredasdorp and confiscated copper cables. More copper cables were found at Get Scrap Metal and Waste Scrap Yard, at 6 Sealy Street, Bredasdorp.</p> <p><u>Exhibits seized:</u></p> <p>840 kg copper cables valued at R92 400-00, confiscated at 20 Carnation Avenue, Bredasdorp 624 kg copper cables valued at R68 640-00, confiscated at Get Scrap Metal and Waste Scrap Yard</p> <p>On Wednesday 2022-07-27 DPCI, CI Winelands, Gans Bay Detectives, Struisbaai Detectives, Combined Private Investigation (CPI) and Eskom conducted searches, executed (J50) Warrant of Arrests on 4 suspects.</p> <p>(J51) Search Warrant was executed at 20 Carnation Avenue, Bredasdorp. The office at Eskom in All Saints Road, Bredasdorp; where Kay-Ann Olkers previously worked was also searched in terms of a (J51) Search Warrant. Three (3) suspects were arrested at their residential addresses and one (1) at work.</p> <p><u>CURRENT STATUS</u></p> <p>The matter is continuing in the regional court. Next court date- 2024-01-24</p>
Offence	Theft of copper cables & possession of suspected stolen goods	
Date Reported	2022-07-27	
Date of Referral to DPCI	2021-11-14	
Loss involved	R306 000,00	
Entity/Individual involved	Kay-Ann Olkers, Percival Olkers, Carlo Cloete, Inge-Loreal Fortuin	
Number of charges	2	
Number of statements obtained	34	
Investigating officer	One investigating officer	
Prosecutor assigned	One Prosecutor	

ESKOM



Case number	Atlantis CAS 08/10/2022	<p><u>SYNOPSIS OF CASE</u></p> <p>It was alleged that a truck driver, tasked with the delivery of diesel to the Eskom Ankerlig power station, offloaded diesel at Eskom. The plant operator declared that the diesel tanker was empty and that all diesel had been off loaded. Information was received that the tanker still contained approximately half a tank of diesel upon exiting the power station.</p> <p>On 2022-12-23 after an extensive investigation by the CATS team, the plant operator was arrested for theft of diesel.</p> <p><u>CURRENT STATUS</u></p> <p>The case is remanded to 2023-12-05 for further particulars.</p>
Offence	Theft of Diesel & fraud	
Date Reported	2022-10-01	
Date of Referral to DPCI	2022-11-25	
Loss involved	R500 000,00 (retrieved)	
Entity/Individual involved	Andrew Gysman (Eskom employee)	
Number of charges	2	
Number of statements obtained	22	
Investigating officer	1	
Prosecutor assigned	1	

REGISTERED INVESTIGATIONS ADDRESSING THE ZONDO COMMISSION RECOMMENDATIONS: CASES ON COURT ROLL

Case number	Bedfordview CAS 345/08/2017 Phola CAS 125/03/2019	<p><u>SYNOPSIS OF CASE</u></p> <p>In 2008, Eskom awarded a tender at Kusile Power Station to Alstom S & E Africa (Pty) Ltd ("Alstom"). The scope of the work, amongst others, included the completion and construction of the air cooled condensers for Units 4 to 6 at Kusile Power Station. Alstom subcontracted part of the work to various entities who in return also subcontracted smaller entities. Tubular Construction Projects (Pty) Ltd ("TCP") was subcontracted by DBT Technologies (Pty) Ltd ("DBT"), one of the companies subcontracted by Alstom. It is alleged that during the implementation of the project (between 2013 and 2015) there were payment disputes between Alstom, DBT and TCP. In an attempt, purportedly to resolve the disputes, Hlakudi facilitated the de-scoping of the work allocated to Alstom in the project and also facilitated negotiations with TCP which led to direct appointment of TCP by Eskom on work that was previously sub contracted by DBT to TCP.</p> <p>On 2015-09-02, Hlakudi, after being authorised by the Executive Procurement Committee, wrote a letter to TCP requesting negotiations to commence between TCP and Eskom for the purpose of TCP becoming the sole negotiating party for the construction of the air cooled condensers for Unit 4 to 6. On the same day, TCP paid an amount of R400 000-00 into the bank account of Hlakudi Translations and Interpretations (Pty) Ltd (HTI), a company in which Hlakudi is the sole Director.</p> <p><u>CURRENT STATUS AND OUTSTANDING INVESTIGATION</u></p> <p><u>Bedfordview CAS 345/08/2017 & Phola CAS 125/03/2019</u></p> <p>On 2019-12-19, four (4) suspects were arrested and charged together with seven (7) entities. The matter was enrolled at Palm Ridge Magistrate Court. On 2021-04-15 a 5th suspect was arrested in the UK and the extradition process is ongoing. On 2023-01-30, the Minister of State for Security in London in the UK issued an extradition order for the 5th accused. The accused appealed the order and the outcome of the appeal is awaited.</p> <p>The court case was remanded to 2024-05-23 for pre-trial.</p>
Offence	Fraud Contraventions of PRECCA Contraventions of POCA (Money laundering)	
Date Reported	2017-08-30	
Date of Referral to DPCI	2017-08-30	
Loss involved	R745 804 316,25	
Entity/Individual involved	<ol style="list-style-type: none"> 1. France Hlakudi 2. A Masango 3. H Kgomoewana 4. Tony Trindade 5. Mike Lomas 6. Tubular Construction Projects (Pty) Ltd 7. Hlakudi Translations and Interpretations (Pty) Ltd. 	
Number of charges (co be continuously updated)		
Number of statements obtained	424	
Investigating officer	2	

WATER AND SANITATION

SUMMARY ON CASES FOR WATER & SANITATION

STATUS OF CASE DOCKETS	NUMBER
Cases on hand	17
Cases pending at court	0
Cases submitted for decision	2
Cases under investigation	15
Cases finalised	0
Cases provisionally withdrawn from court	0

OVERVIEW OF AMOUNT INVOLVED: WATER & SANITATION CASES

STATUS	COURT DOCKETS		CASES SUBMITTED FOR DECISION		CASES UNDER INVESTIGATION		FINALISED	
	NO OF CASES	VALUE / POTENTIAL VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE
WATER & SANITATION	0	-	2	R 54 595 723.81	15	R3 124 184 651,69	0	

SOUTH AFRICAN AIRWAYS (SAA)

SUMMARY ON STATUS OF SAA CASES

STATUS OF CASE DOCKETS	NUMBER
Cases on hand	1
Cases pending at court	0
Cases submitted for decision	1
Cases under investigation	0
Cases finalised	0
Cases provisionally withdrawn from court	0

ESTIMATED AMOUNT INVOLVED: SAA CASES

STATUS	COURT DOCKETS		CASES SUBMITTED FOR DECISION		CASES UNDER INVESTIGATION		FINALISED	
	NO OF CASES	VALUE / POTENTIAL VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE
SAA	-	-	1	R6 200 000.00	-	-	-	-

TRANSNET

SUMMARY ON STATUS OF TRANSNET CASES

STATUS OF CASE DOCKETS	NUMBER
Cases on hand	3
Cases pending at court	0
Cases submitted for decision	0
Cases under investigation	3
Cases finalised	0
Cases provisionally withdrawn from court	0

ESTIMATED AMOUNT INVOLVED: TRANSNET CASES

STATUS	COURT DOCKETS		CASES SUBMITTED FOR DECISION		CASES UNDER INVESTIGATION		FINALISED	
	NO OF CASES	VALUE / POTENTIAL VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE
TRANSNET	-	-	-		3	R127 500 000.00	-	-

SOUTH AFRICAN BROADCASTING CORPORATION (SABC)

SUMMARY OF STATUS OF SABC CASES

STATUS OF CASE DOCKETS	NUMBER
Cases on hand	3
Cases pending at court	1
Cases submitted for decision	1
Cases under investigation	1
Cases finalised	0
Cases provisionally withdrawn from court	0

ESTIMATED AMOUNT INVOLVED: SABC CASES

STATUS	COURT DOCKETS		CASES SUBMITTED FOR DECISION		CASES UNDER INVESTIGATION		FINALISED	
	NO OF CASES	VALUE / POTENTIAL VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE
SABC	1	R18 290.00	0		2	R55 000 000.00	1	-

SABC

Case number	Brixton CAS 156/05/2018	<p><u>SYNOPSIS OF CASE</u></p> <p>One of the SABC employees, Sully Motsweni requested travel and accommodation payments for her personal vacation and misrepresented to the SABC that the travellers were on SABC business whereas they were Two Oceans Marathon runners.</p> <p><u>CURRENT STATUS</u></p> <p>The case is remanded to 2023-11-29 for trial</p>
Offence	Fraud and corruption	
Date Reported	2018-05-15	
Date of Referral to DPCI	2018-05-18	
Loss involved	R18 290	
Entity/Individual involved	SABC	
Number of charges	1	
Number of statements obtained	A1-A5	
Investigating officer	1	
Prosecutor assigned	1	



DENEL

SUMMARY ON STATUS OF DENEL CASES

STATUS OF CASE DOCKETS	NUMBER
Cases on hand	1
Cases pending at court	0
Cases submitted for decision	0
Cases under investigation	1
Cases finalised	0
Cases provisionally withdrawn from court	0

ESTIMATED AMOUNT INVOLVED: DENEL CASES

STATUS	COURT DOCKETS		CASES SUBMITTED FOR DECISION		CASES UNDER INVESTIGATION		FINALISED	
	NO OF CASES	VALUE / POTENTIAL VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE
DENEL	-	-	-	-	1	R3 000 000 000.00		



SECTION 1(a)

**OTHER CASES DEALT WITH BY THE DPCI IN THE
SAID DEPARTMENT AND ENTITIES**

SUMMARY OF CASE DOCKETS/ENQUIRIES

LEGEND

<u>Number of cases/enquiries on hand</u>		132
- Number of court cases:		23
- Number of cases pending decision from NPA:		16
- Number of cases under Investigation:		68
- Number of <u>enquiries</u> under Investigation:		25
- Number of cases provisionally withdrawn from court		13
- <u>Finalised cases:</u>		4
○ <i>Guilty</i> :	2	
○ <i>Declined to prosecute</i> :	2	
○ <i>Accused deceased</i> :	1	

ESTIMATED AMOUNT INVOLVED

STATUS	COURT DOCKETS		CASES SUBMITTED FOR DECISION		CASES UNDER INVESTIGATION		FINALISED	
	NO OF CASES	VALUE / POTENTIAL VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE	NO OF CASES	VALUE
PRASA	2	R7 271 854.00	-	-	17	R10 266 124 000.00	-	-
ESKOM	19	R1 129 840 365.70	15	R113 055 688.10	69	R7 627 553 988.31	4	R954 565 128.28
WATER & SANITATION	2	-	1		6	R1 273 402 802.00	0	
SAA	1	R221 235 051.00	1	R9 000 000.00	3	R2 400 000.00	-	
TRANSNET	1	R2 000 000.00	0		0			
SABC		-	-	-	-	-	-	-
DENEL		-	-	-	-	-	-	-
NSF		-	-	-	1	R2 500 000 000.00		
TOTALS	25	R1 139 112 219.70	17	R123 055 688.10	96	R21 667 080 790.31	4	R954 565 128.28

OVERVIEW OF ARRESTS

ENTITY	COURT DOCKETS	
	NO OF CASES	NO OF ACCUSED ARRESTED
PRASA	2	2
ESKOM	19	43
WATER & SANITATION	2	8
SAA	1	7 (4 natural & 3 juristic persons)
TRANSNET	1	4
TOTAL	25	64

EXAMPLE OF A CASE REPORTED IN 2012 AND 2013 AND FINALISED IN 2023 ESKOM

Case number	Nelspruit CAS 763/11/2013	<p><u>SYNOPSIS OF CASE</u></p> <p>It is alleged that two suspects who were Eskom employees colluded with the director of Chimanzi Investment where they submitted fraudulent invoices for the services that were not rendered.</p> <p><u>CURRENT STATUS</u></p> <ul style="list-style-type: none"> • Mr Chimanzi & his Company were sentenced to 8 years imprisonment which was wholly suspended for the period of 5 years • Nwabisa Ngxola was sentenced to 10 years direct imprisonment. <p>The other suspect Cinderela Moropane will be sentenced on 2024-02-24.</p>
Offence	Fraud/ Theft and money laundering	
Date Reported	2013-11-27	
Date of Referral to DPCI	2013-12--05	
Loss involved	R2,6 million	
Entity/Individual involved	<ul style="list-style-type: none"> • Cinderella Moropane: court sentenced • Micheal Chimanzi: • Nwabisa Ngxola: sentenced 	
Number of charges	02	
Number of statements obtained		
Investigating officer	1	
Prosecutor assigned	1	

EXAMPLE OF A CASE REPORTED IN 2012 AND 2013 AND FINALISED IN 2023 ESKOM

Case number	Kriel CAS 88/05/2012	<p><u>SYNOPSIS OF CASE</u></p> <p>One Eskom official at Kriel Power Station, finance manager Mr Jacob Sfiso Masina, has unlawfully and intentionally made payments to the two entities (companies), Mandlankosi logistics, which it is alleged that the company belongs to him and Lutshala supply transport which it is alleged that the company belongs to his mother, of which those companies never rendered any services to Eskom</p> <p><u>CURRENT STATUS OF INVESTIGATION</u></p> <p>On 2023-04-25 Sifiso Jacob Masina, former Kriel Power Station finance Manager was found guilty and sentenced to eight (8) years imprisonment wholly suspended for five (5) years on condition that he is not found guilty of the same offence during the time of suspension.</p> <p>He was also ordered to pay back an amount of R513 630. 00 to Eskom .</p>
Offence	Fraud and Corruption	
Date Reported	2011-01-10	
Date of Referral to DPCI	2018-11-19	
Loss involved	R513 630.00	
Entity/Individual involved	Mandlankosi Logistics Sifiso Jacob Masina	
Number of charges	02	
Number of statements obtained	14	
Investigating officer	1	
Prosecutor assigned	1	



SECTION 2

STATE CAPTURE MATTERS

OVERVIEW OF REGISTERED INVESTIGATIONS ADDRESSING THE ZONDO COMMISSION RECOMMENDATIONS

In November 2022, a team comprising of twenty (20) experienced investigators, led by senior officers from the operational investigation components were assembled to prioritise the investigations emanating from the State Capture Commission. The DPCI is continuously recruiting personnel to increase the capacity.

LEGEND

Number of cases/enquiries on hand

	47
- Number of court cases:	5
- Number of cases pending decision from NPA:	2
- Number of cases under Investigation:	10
- Number of <u>enquiries</u> under Investigation:	30
- Finalised cases:	2
- Number of arrests: Natural persons: 23 Juristic persons: 10	33

OVERVIEW OF CASES ON THE COURT ROLL

ENTITY/ DEPARTMENT INVOLVED	NUMBER OF CASES	AMOUNT INVOLVED	NUMBER OF RECOMMENDATIONS ADDRESSED	NUMBER OF ARRESTS
Department of Transport and Safety (North West) and South African Airways (SAA)	1	R 221 235 051,00	1	7 (4 natural persons & 3 entities)
Department of Human Settlement (Free State)	1	R250 000 000,00	13	18 (13 natural persons & 5 entities)
Passenger Rail Agency of South Africa (PRASA)	2	R5 771 854,39	1	2 natural persons
Eskom	1	R745 804 316,25		6 (4 natural persons and 2 entities)
TOTAL	5	R1 222 811 221,64	15	23 natural persons and 10 entities)

SAA / SA EXPRESS

Case number	MMABATHO CAS 181/05/2020 Recommandation – No. 3	<p><u>SYNOPSIS OF CASE</u></p> <p>During 2014, the North West Government embarked on a process to recapitalise and commercialise its two airports, Mafikeng and Pilanesberg Airports. State-owned SA Express (SAX) was appointed to render the service without following the supply chain management processes (open tender). The North West Department of Community Safety And Transport did not have a budget for the project. The department needed around R200 million over five years to subsidise the service to be rendered by SAX and a further estimated R200 million for the airline to secure a management company to provide a ground handling and facility management services at both airports,</p> <p>The North West Department of Community Safety And Transport paid SAX exorbitant rates to operate the Mafikeng and Pilanesberg airports, when compared with industry standards. The North West government forked out R50 million to SAX for a series of subsidies and concessions to get the routes operational before any work was actually done. The agreement was signed off by SAX executives, Money was siphoned off to various entities and shelf companies connected to Mr van Wyk. Koroneka Trading was appointed to handle ground services followed by Valotec, Pamco and Mamco at the Mafikeng and Pilanesberg airports respectively. The investigation was conducted to gather material or relevant information into the matter.</p> <p><u>CURRENT STATUS</u></p> <p>Investigation has been finalised on this matter. The DPP decided to prosecute the former HoD of the Department of Transport, Mr Bailly Motlhakoleng and former general manager Commercial: SA Express, Mr Brian Van Wyk and the Directors together with their companies who were appointed as service providers in the contract.</p> <p>The accused were arrested on 2022-09-29 and 2022-09-30 and they appeared in court on 2022-09-30.</p> <p>Pre-trial conference is set for 2024-01-29.</p> <p>The trial date is set for 2024-05-13 to 2024-05-29.</p>
Offence	Fraud, corruption, money laundering and contravention Of PFMA	
Date Reported	2020-05-14	
Date of Referral to DPCI	2022-05-21	
Loss involved	R221 235 051-00	
Entity/Individual involved	<p>Department of Safety and Transport</p> <ul style="list-style-type: none"> i. Mr BT Van Wyk: Former General Manager Commercial SA Express ii. Mr B Motlhakoleng: former HoD NW iii. Mr S Phiri: Director of Servilex Investment Holding cc (life partner of Mr Van Wyk) iv. Mrs N Dube: Director of Valotec Facility Management Company 	
Number of charges	48	
Number of statements obtained	82	
Investigating officer	2 investigating officers 2 PCSI members	
Prosecutor assigned	4	
AFU Contribution	AFU has drafted documents on chapter 5 & 6 relating to the house, vehicles and the flat	

REGISTERED INVESTIGATIONS ADDRESSING THE ZONDO COMMISSION RECOMMENDATIONS: CASES ON COURT ROLL

Case number	Park Road CAS 486/02/2020	<p><u>SYNOPSIS OF CASE</u></p> <p>The Free State Department of Human Settlement used Treasury Regulation 16A6.6 to appoint a company, Blackhead Consulting JV to Identify houses in the Free State where Asbestos roofing was used. There was no normal tender process followed because the department piggy backed on a contract similar to this one that was awarded to the company by the Gauteng Department of Human Settlement.</p> <p>A final report was handed over to the FSDHS and a total of R 230 mil was paid to Blackhead Consulting JV. The investigation was divided in to two sections, first if the regulations of Treasury Regulation 16A6.6 was followed and an amount of R 650 000,00 was identified that was paid indirectly to the HOD of the FSDHS by Blackhead Consulting JV for the purchasing of a townhouse in the name of a Trust belonging to the HOD.</p> <p>The second part of the investigation is the financial flow of the money paid to Blackhead Consulting JV. Allegations were made during testimony at the Zondo Commission that various senior government officials received money from Blackhead Consulting JV.</p> <p>CURRENT STATUS</p> <p>The case was postponed until 2024-04-15 till 2024-06-23</p>
Offence	Fraud Contravention of PFMA Contravention of PRECCA Contravention of POCA (Money Laundering)	
Date Reported	2020-02-11	
Date of Referral to DPCI	2022-02-11	
Loss involved	R 250 Million	
Entity/Individual involved	<ol style="list-style-type: none"> 1. M Diedericks (f) 2. ES Magashule 3. T Makepe 4. AK Manyike 5. MJ Matlakala 6. MS Maneli (f) 7. N Mokhesi 8. NB Molikoe 9. SJ Radebe 10. PE Sodi 11. AJ Venter 12. TW Zulu 	
Number of charges		
Number of statements obtained	246	

REGISTERED INVESTIGATIONS ADDRESSING THE ZONDO COMMISSION RECOMMENDATIONS: CASES ON COURT ROLL

Case number	Park Road CAS 486/02/2020 Cont..	
Investigating officer	4	
Prosecutor assigned	1	
AFU Contribution	Yes	

REGISTERED INVESTIGATIONS ADDRESSING THE ZONDO COMMISSION RECOMMENDATIONS: CASES ON COURT ROLL

Case number	Hillbrow CAS 566/07/2015	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant is Mr Ernest Phakhathi who is employed by PRASA as Executive Manager HRM PRASA RAIL. He alleges that the suspect, Mr Daniel Mtimkulu had presented fraudulent qualifications, namely: (1. National Diploma in Mechanical Engineering from Vaal Technikon, 2. Bachelor of Technology in Engineering from Vaal Technikon, 3. Letter of recognition as Doctor from Technische Universitat Muchen from Germany, 4. Mechanical and Maintenance Engineering from University of Witwatersrand, 5. Masters Degree in Engineering from University of Witwatersrand).</p> <p>The Accused was appointed and/or promoted to the position of Executive Manager: Engineering Services effective from 1 April 2010, which effectively brought his annual remuneration package to an amount of R1 650 000.00.</p> <p>In June 2010, the accused also presented PRASA with a letter addressed to himself pretending to be from a German company called DB Schenker, offering him the position of Engineering Services Specialist at an annual salary of R 2 800 000.00. As a result of this letter, PRASA made a counter-offer to the accused in the amount of R 2 800.000.00 in the position of Executive Manager: Engineering Services. The actual loss suffered by PRASA as a result of false letter of employment from DB Schenker is calculated at R 5 771 854.39.</p> <p>The accused is charged with 8 counts of fraud, theft, forgery and uttering for presenting fraudulent qualifications, fraudulent offer from DB Schenker, presentation of fraudulent letter addressed to PRASA, purported to be from a German university under the name and style of Technische Universitat München.</p> <p>CURRENT STATUS</p> <p>On 31 January 2022 the accused was found guilty and convicted of three (3) counts of fraud, namely: counts 1, 4 and 8 and alternatives thereto (forgery and uttering). The accused was acquitted on six (6) counts of fraud, namely: counts 2,3,5-7 and 9 and alternatives thereto (forgery and uttering).</p> <p>The case is remanded till 4,5 and 8 December 2023 for sentencing.</p>
	No recommendation	
Offence	Fraud Theft Forgery and Uttering	
Date Reported	2015-07-18	
Date of Referral to DPCI	2016-04-22	
Loss involved	R5 771 854,39	
Entity/Individual involved	Former PRASA Official (Mr Daniel Motshutshisi Mtimkulu)	
Number of charges (co be continuously updated)	3	
Number of statements obtained	44	
Investigating officer	1	
Prosecutor assigned	1	
AFU Contribution	AFU is involved (Advocate A Dabula)	

REGISTERED INVESTIGATIONS ADDRESSING THE ZONDO COMMISSION RECOMMENDATIONS: CASES ON COURT ROLL

Case number	Hillbrow CAS 189/03/2021	<p><u>SYNOPSIS OF CASE</u></p> <p>On 12-03-2021 Mr Auswell Mashaba was summoned to testify at State Capture Commission of Enquiry. He failed to make an appearance citing that he was challenging the legality of the summons served.</p> <p>On 09-03-2021, Professor Itumeleng Masala, secretary of the State Capture Commission registered a case against Mr Auswell Mashaba for Contravention of Commission Act, ACT 8 of 1947 (Defeating the end of Justice)</p> <p><u>CURRENT STATUS:</u></p> <ul style="list-style-type: none"> ➤ The suspect appeared for the first time at Johannesburg Magistrate Court on 2022-02-03. ➤ The matter has been postponed a number of times in court as Mr Mashaba was busy challenging the legality of the summons through his defence council. ➤ The case last appeared in the Gauteng High Court on 2023-09-15 and is postponed to 2024-01-16 for the outcome of the representation.
Offence	Defeating the ends of justice	
Date Reported	2021-03-09	
Date of Referral to DPCI	2021-03-12	
Loss involved	None	
Entity/Individual involved	Mr Auswell Mashaba (Director Shivambo Rail Agency – PRASA)	
Number of charges		
Number of statements obtained	5	
Investigating officer	1	
Prosecutor assigned	1	
AFU Contribution	None	

REGISTERED INVESTIGATIONS ADDRESSING THE ZONDO COMMISSION RECOMMENDATIONS: CASES ON COURT ROLL

Case number	Bedfordview CAS 345/08/2017	<p><u>SYNOPSIS OF CASE</u></p> <p>In 2008, Eskom awarded a tender at Kusile Power Station to Alstom S & E Africa (Pty) Ltd ("Alstom"). The scope of the work, amongst others, included the completion and construction of the air cooled condensers for Units 4 to 6 at Kusile Power Station. Alstom subcontracted part of the work to various entities who in return also subcontracted smaller entities. Tubular Construction Projects (Pty) Ltd ("TCP") was subcontracted by DBT Technologies (Pty) Ltd ("DBT"), one of the companies subcontracted by Alstom. It is alleged that during the implementation of the project (between 2013 and 2015) there were payment disputes between Alstom, DBT and TCP. In an attempt, purportedly to resolve the disputes, Hlakudi facilitated the de-scoping of the work allocated to Alstom in the project and also facilitated negotiations with TCP which led to direct appointment of TCP by Eskom on work that was previously sub contracted by DBT to TCP.</p> <p>On 2015-09-02, Hlakudi, after being authorised by the Executive Procurement Committee, wrote a letter to TCP requesting negotiations to commence between TCP and Eskom for the purpose of TCP becoming the sole negotiating party for the construction of the air cooled condensers for Unit 4 to 6. On the same day, TCP paid an amount of R400 000-00 into the bank account of Hlakudi Translations and Interpretations (Pty) Ltd (HTI), a company in which Hlakudi is the sole Director.</p> <p><u>CURRENT STATUS AND OUTSTANDING INVESTIGATION</u></p> <p><u>Bedfordview CAS 345/08/2017 & Phola CAS 125/03/2019</u></p> <p>On 2019-12-19, four (4) suspects were arrested and charged together with seven (7) entities. The matter was enrolled at Palm Ridge Magistrate Court. On 2021-04-15 a 5th suspect was arrested in the UK and the extradition process is ongoing. On 2023-01-30, the Minister of State for Security in London in the UK issued an extradition order for the 5th accused. The accused appealed the order and the outcome of the appeal is awaited.</p> <p>The court case was remanded to 2024-05-23 for pre-trial conference.</p>
Offence	Fraud Contraventions of PRECCA Contraventions of POCA (Money laundering)	
Date Reported	2017-08-30	
Date of Referral to DPCI	2017-08-30	
Loss involved	R745 804 316,25	
Entity/Individual involved	<ol style="list-style-type: none"> 1. France Hlakudi 2. A Masango 3. H Kgomoewana 4. Tony Trindade 5. Mike Lomas 6. Tubular Construction Projects (Pty) Ltd 7. Hlakudi Translations and Interpretations (Pty) Ltd. 	
Number of charges (co be continuously updated)		
Number of statements obtained	424	
Investigating officer	2	

REGISTERED INVESTIGATIONS ADDRESSING THE ZONDO COMMISSION RECOMMENDATIONS: CASES ON COURT ROLL

Bedford-view CAS 345/08/2017, cont..		<p style="text-align: center;"><u>CURRENT STATUS AND OUTSTANDING INVESTIGATION cont..</u></p> <p style="text-align: center;"><u>Second Leg</u></p> <p>Under investigation</p>
Prosecutor assigned	1	
AFU Contribution	The High Court of South Africa: Gauteng local Division, Johannesburg issued a restraint order valued at R1.4bn against former Eskom executives and former Tubular Construction Projects contractors. On 2021-05-04, the restraint order was executed by the appointed curator.	

OVERVIEW OF CASES UNDER INVESTIGATION

ENTITY/ DEPARTMENT INVOLVED	NUMBER OF CASES	NUMBER OF RECOMMENDATIONS ADDRESSED	NUMBER OF STATEMENTS
Department of Human Settlement Free State	2	14	1807
PRASA	2	16	797
ESKOM	5	5	5
BOSASA and officials from Government Departments / SOE's	19	19	20
Enterprise Outsourcing Holdings (EOH) (Pty) Ltd	2	2	54
SAA	3	3	16
Mhlathuzi water	1	1	3
Department of Transport	1	1	3
Transnet	1	1	7
South African Airways (SAA)	11	18	62
TOTAL	47	80	2 774

During June 2023 a presentation was made to the Portfolio Committee on Police, at which time **2 121 statements** were obtained. Since then an **additional 653 statements** have been obtained. (Total : 2 774)



TAX CASES AGAINST INDIVIDUALS AND ENTITIES INVOLVED ON STATE CAPTURE MATTERS

CASE PENDING AT COURT

STATION AND CAS NUMBER	ACCUSED	CONTRAVENTION	COURT DATE
Garsfontein CAS 250/12/2018	Coxinel Chicken (Pty) Ltd (Represented by Hlakudi MF)	Fraud Contravention of Sec 235 of the Tax Administration Act (Tax Evasion)	2024-03-13
Garsfontein CAS 249/12/2019	Frans Mangope Hlakudi	Fraud Contravention of Sec 235 of the Tax Administration Act (Tax Evasion)	2024-03-13
Garsfontein CAS 247/12/2019	Hlakudi Translation and Interpretation (Pty) Ltd (Represented by Hlakudi MF)	Fraud Contravention of Sec 235 of the Tax Administration Act (Tax Evasion)	2024-03-13
Garsfontein CAS 248/12/2019	Bon Service Telecom (Represented by Hlakudi MF)	Fraud Contravention of Sec 235 of the Tax Administration Act (Tax Evasion)	2024-05-23
Brooklyn CAS 154/12/2022	Mahlaku Jacqueline Legoabe	Contravention of Sec 234 and 235 of the Tax Administration Act (Tax Evasion)	2024-01-18
Brooklyn CAS 341/09/2022	Intertrading (Pty) Ltd (Represented by Mahlaku Jacqueline Legoabe)	Contravention of Sec 234 and 235 of the Tax Administration Act (Tax Evasion)	2024-01-18
Polokwane CAS 391/12/2019	Maphoko Hudson Kgomoewana	Fraud	2024-02-15

**TAX CASES AGAINST INDIVIDUALS AND ENTITIES INVOLVED IN STATE CAPTURE MATTERS
CASES UNDER INVESTIGATION**

STATION AND CAS NUMBER	OFFENCES	NUMBER OF STATEMENTS OBTAINED
Brooklyn CAS 298/03/2023	failure/neglect to register as a tax practitioner as required under the Tax Administration Act.	6
Brooklyn CAS 560/06/2022	Fraud	11
Brooklyn CAS 252/07/2023	Make, cause or allow making of false statement/entry in return/document or sign statement, return or document without it	9
Brooklyn CAS 666/10/2022	Fraud	6
TOTAL		32

COLLABORATION WITH THE NATIONAL PROSECUTING AUTHORITY (NPA)

- **Fifteen (15)** DPCI investigating officers were placed on duty arrangements to the Investigating Directorate (ID) to continue investigating, amongst others, **one hundred and forty (140)** cases that were previously investigated by the DPCI, and declared by the ID. These investigators are still serving in the ID.
- The main case for BOSASA investigations was one of the cases declared by the ID and at the time it was transferred to the ID, seven (7) suspects were already arrested.
- The DPCI is also collaborating with the National Prosecuting Authority (NPA) through the “Task Force”, jointly coordinating the work flowing from the recommendations of the Commission.
- The Task Force’s key mandate is the prioritisation of state capture cases, focusing on operational case prioritisation as well as enhancing coordination.

CASES FINALISED: CONVICTIONS (1)

Recommendation No:120 -Free State Housing Project

Accused: Moses Mpho "Gift" Mokoena

Station & CAS: Park Road CAS 1158/11/2021

Synopsis of the case:

Prosecution by the National Prosecuting Authority of Mr Moses Mpho "Gift" Mokoena who was the Head of the Department of Human Settlements in Free State in 2010 and early in 2011 for contravention of sections 38(1)(a)(iii),(b),(c)(ii) and (g) of the Public Finance Management Act 1 of the 1999 as amended and contravention of Section 34 of the Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA).

Outcome:

The accused was **convicted on one count for contravention of Section 86 of the PFMA and one count for contravention of section 34 of PRECCA**. He was **sentenced to 10 years imprisonment suspended for five years on count 1 and 5 years imprisonment suspended for 5 year on count 2**

CASES FINALISED: CONVICTIONS (2)

Recommendation No: 4 (South African Airways (SAA))

Accused: Duduzile Myeni

Station & CAS: Hillbrow CAS 571/11/2020

Synopsis of the case:

Prosecution of Ms Myeni for her disclosure of Mr X's identity during her testimony in the State Capture Commission.

Outcome:

The accused was **convicted and sentenced to pay a fine of one hundred and twenty thousand rands or two years imprisonment, half suspended for five years.**

DEPENDENCY ON EXTERNAL AUDITORS



The DPCI has established a component for Financial Accounting Investigation (FAI) which will, once fully developed be able to deal with forensic auditing services internally.

Currently the DPCI depends mostly on outsourcing. PRASA matters are amongst the matters wherein, to a certain extent, contributed in the delays. (a **forensic auditor was appointed in October 2020 and in May 2023 the auditor terminated the contract due to health reasons.**

The appointment of the new forensic company was finalised on the 1st November 2023 and the first report is expected end of February 2024)



The DPCI shall at all times enforce the Law of the Republic without fear, favour or prejudice and, as the circumstances of any particular case may require, in accordance with the Constitution and the Law

Thank You

Seek, Find, Strike