

## **Budget on Debate Vote 8: National Treasury ( State Security)**

### **Speech by Dirk Stubbe MP**

#### **DA Shadow Deputy Minister of State Security**

For the Financial year 2022/2023 the Joint Standing Committee of Intelligence aligned the outcome of its oversight mandate with the recommendations of the High Level Review Panel Report (HLRP) and the Judicial Commission of Inquiry into State Capture Findings.

Proclamation 59 of 2009 that was issued by former President Zuma gave rise to the amalgamation of the National Intelligence Agency (NIA) and the South African Secret Service (SASS) into the State

Security Agency (SSA). The NIA's mandate was focused on domestic intelligence while the SASS mandate was Foreign Intelligence.

In 2009 the concept of State Security was introduced and shifted the focus from National Security and the well-being and security of the people to the protection of the State.

Since then, the Service went into a downward spiral where the environment became toxic which together with the abuse of state resources and finances gave rise to self-interest and enrichment.

This situation necessitated the establishment of the HLRP to enable the reconstruction of a professional National intelligence capability that would respect and uphold the Constitution.

State Capture necessitated a Judicial Commission of Inquiry and together with the HLRP findings, the Commission highlighted some of the following issues with recommendations to Parliament:

- Ministers' involvement in operational issues.
- Illegal operations by the SSA that actively further the interest of the ruling party and operation by the Special Operations Unit (SOU) of the SSA under Ambassador Thulani Dlomo.
- A number of concerning cash withdrawals were noted such as; R38,5 M by Minister Mahlobo.
- R9,2M with no verification also by Mahlobo.
- Cash stolen to the amount of R145M.
- The Principal Agent Network (PAN) of Arthur Fraser and their covert operations amounting to R225M
- Disappearance of firearms (Including rifles and sub-machineguns under the watch of Fraser by Thulani Dlomo as head of the SOU).
- Irregular Recruitments and appointments to the Service.
- Abuse of the vetting System (Dlomo establish a parallel vetting system that was unlawful with regards to the National Strategic Intelligence Act 39 of 1994 (NSIA).
- Irregular recruitments and appointment to the Intelligence Service.

The Commission also made recommendations with direct bearing on the JSCI such as:

- Parliament considering the amendment of Section 6(1) of the Intelligence Oversight Act 40 of 1994, that requires the outgoing JSCI to report to Parliament on the period preceding the elections.
- The introduction of a new General Intelligence Laws Amendment Act (GILAA) of 2013.
- And the JCSI was also tasked to determine whether legislative changes are required to strengthen its reporting obligations.

These recommendations by the Commission resulted in the Parliament's Implementation Plan announced on the 3<sup>rd</sup> of November 2022 and was tabled on 31 January 2023.

This was the first Parliament where the JSCI has a full complement of support staff to assist the committee on issues that were overlooked in previous years. The support staff are doing a sterling job in order for the committee to execute their oversight mandate.

The APP's of the services presented to the JSCI revealed that the services are still in contravention of adherence to certain norms and standards which must still be corrected as per the Zondo commission's recommendations.

Since 1994 the South African Police Crime intelligence (SAPSCI) and Defence Intelligence (DI) have had no Regulations in terms of the NSIA 39 of 1994 Sec 2 (A) and Sec 6 to conduct security vetting.

We are still awaiting the finalisation of the long overdue GILAA.

The Independence of the Office of the Inspector-General of Intelligence (OIGI) and the Office for Interception Centre (OIC) must also still be legislated.

The poor resourcing of Foreign Stations by the SSA must also be addressed.

There is a need for urgent legislative amendments and requirements for the Secret Service accounts which are used to fund covert operations. The fund is governed under an outdated Act.

In this regard the SSA provided funding for the Central African Republic (CAR) Embassy in Pretoria - which emanated from a decision by former State Security, Minister Mahlobo, during September 2014.

The project not only led to the purchase of a Chancery, and Residency but also paid for vehicles used by the Embassy.

The SSA was also responsible for operational running costs and salaries of personnel at the Embassy. All of this was paid for by the South African taxpayer.

The project was terminated by the Director General, Ambassador Majola, on 30 November 2022 after they had spent over R61 million.

The Question thus arises: to what extent does secret funding still exist in the Services where monies are spent on secret projects that might not be legal.

I thank you.