**THE NATIONAL ASSEMBLY**

 **QUESTION FOR WRITTEN REPLY**

**2316. Ms S P Kopane (DA) to ask the Minister of Trade and Industry:**

Whether any **(a) internal** and/or **(b) external** forensic reports pertaining to (i) his department and/or **(ii) each entity** reporting to him were completed from 1 January 2009 up to the latest specified date for which information is available; if not, in each case, why not; if so, what is the **(aa) name**, **(bb) subject matter** and **(cc) date of conclusion** of each of the specified forensic reports?NW2648E

(a)(b) (aa) The Department of Trade and Industry received and completed **two hundred and fifty five (255)** investigations since 1 January 2009 to date. Of the 255 investigations, sixty one (61) related to the Entities of **the dti**.

|  |  |  |  |
| --- | --- | --- | --- |
| **Period** | **the dti Cases** | **Entity Cases** | **Total Cases** |
| Jan-Dec 2009 | 37 | 17 | 54 |
| Jan-Dec 2010 | 49 | 5 | 54 |
| Jan-Dec 2011 | 26 | 10 | 36 |
| Jan-Dec 2012 | 23 | 5 | 28 |
| Jan-Dec 2013 | 20 | 9 | 29 |
| Jan-Dec 2014 | 19 | 5 | 24 |
| Jan-Dec 2015 | 13 | 7 | 20 |
| Jan-Oct 2016 | 7 | 3 | 10 |
| Total cases | **255** |

1. The subject of the forensic audits varied from conflict of interest, fraud, corruption and bribery, irregular and unauthorised expenditure, procurement irregularities, incentive scheme fraud, and alleged unethical behaviour.
2. Two hundred and forty nine (249) cases relating to the period 01 January 2009 to date have been finalised. Six cases relating to the period 01 January 2016 to date are in progress. Certain investigations were outsourced to Grant Thornton, Nexus Forensics, Ubuntu Business Advisory Services (UBAC) and Gobodo Forensic and Investigative Accounting (GFIA). The majority of investigations were conducted by the in-house forensic audit unit within the Internal Audit Chief Directorate at **the dti**.

**(ii)**

| **(ii)****ENTITY** | **(aa)****Name** | **(bb)****Subject matter** | **(cc)****Dates of conclusion** | **(a)****Internal** | **(b)****External** |
| --- | --- | --- | --- | --- | --- |
| **NRCS** |
|  | 1. Investigation into possible conflict of interest
 | Investigation into possible conflict of interest  | March 2013 | - | External |
| 1. Investigation report into the taxed bill of costs
 | Investigation report into the taxed bill of costs | June 2014 | Internal  | - |
| 1. Preliminary Investigation to determine compliance with the NRCS subsistence and travel policy
 | Preliminary Investigation to determine compliance with the NRCS subsistence and travel policy | June 2014 | Internal | - |
| 1. Preliminary investigation report into staff concerns
 | Preliminary investigation report into staff concerns  | Feb 2016 | Internal | - |
| 1. Independent assessment on recruitment and selection process
 | Independent assessment on recruitment and selection process  | Sept 2015 | Internal  | - |
| 1. Investigation towards costs relating to services rendered
 | Investigation towards costs relating to services rendered  | Aug 2014 | Internal | - |
| 1. Investigation into the matters relating to technical specialist
 | investigation into the matters relating to technical specialist  | March 2015 In Progress | - | External  |
| 1. Preliminary-investigation report into the matter of the approval of audit payment
 | Preliminary-investigation report into the matter of the approval of audit payment | Sept 2015 | Internal  | - |
| 1. Preliminary Investigation of the allegations relating to the electrotechnical inspector
 | Preliminary Investigation of the allegations relating to the electrotechnical inspector | April 2015 | Internal | - |
| 1. Independent assessment on an appointment
 | independent assessment on an appointment | May 2016 | Internal | - |
| 1. Industry trading without LOA
 | Industry trading without LOA  | Oct 2015 In progress | - | External |
| 1. Inspector disclosure of confidential information
 | Inspector disclosure of confidential information | Jan 2016 In progress | - | External  |
| 1. Industry defrauding NRCS with regard to testing of weighbridges
 | Industry defrauding NRCS with regard to testing of weighbridges | Feb 2016 In progress | - | External  |
| 1. Products not complying with NRCS Compulsory Specifications
 | Products not complying with NRCS Compulsory Specifications | March 2016In progress | - | External  |
| 1. Alleged corruption / unethical behavior by inspector
 | Alleged corruption / unethical behavior by inspector | Sept 2015 In progress | - | External |
| 1. Investigation of two members of staff
 | Investigation of two members of staff | Aug 2015 | - | External |
| 1. Grant Thornton Report- JDE Fraud Case
 | Grant Thornton Report- JDE Fraud Case | May 2012 Follow up being made with SAPS with regard to prosecution and arrest of suspect. Currently await SAPS | - | External |
| 1. Provision of forensic investigation services in relation to the allegations of irregularities and mismanagement at NRCS
 | Provision of forensic investigation services in relation to the allegations of irregularities and mismanagement at NRCS | March 2013 | - | External |
| 1. Investigation of possible irregularities with regard to procurement practices in the corporate services department of the NRCS
 | Investigation of possible irregularities with regard to procurement practices in the corporate services department of the NRCS | March 2010 | - | External |
| 1. Forensic Investigations into alleged irregularities in the tendering process at NRCS
 | Forensic Investigations into alleged irregularities in the tendering process at NRCS  | February 2011 | - | External |
| 1. Forensic Investigation into allegations of irregularities
 | Investigation into allegations of irregularities | January 2011 | - | External |
| 1. Investigation into donor funding
 | Investigation into donor funding | November 2015 | - | External |
| **NMISA, ECIC, NCC, CT and NCT** |
|  | NIL | - | - | - | - |
| **NEF** |
|  | 1. Investigation into possible fraudulent payments
 | Staff member of a NEF funded entity made certain fraudulent payments into accounts  | May 2015 | Internal | - |
| 1. Facilities
 | Staff member extorting payments/services from a service provider | April 2014 | Internal | - |
| 1. Forensic investigation into various allegations made by an anonymous whistle-blower
 | Allegations of improper conduct and irregularities relating to decisions made by the organisation and some of its employees | November 2013 | - | External  |
| 1. Allegations of misconduct by a staff member
 | Review of allegations of improper/unlawful sms sent to a client. | September 2011 | - | External |
| 1. Corruption & misconduct by two employees
 | Irregularities concerning allegations relating to two staff members  | August 2011 | - | External |
| 1. Corruption & misconduct by an employee
 | Allegations regarding certain unethical behaviour by an employee | June 2011 | - | External |
| **NCR** |
|  | 1. Allegations of misconduct levelled against a Senior Manager
 | Breach of National Treasury Regulations, specifically with regards to supply chain management; Fraud; Misrepresentation; non-compliance with procurement policy; conflict of interest; gross negligence in the performance of duties | November 2011 | - | External  |
| 1. Allegations of misconduct
 | Corruption, racism, nepotism, unethical conduct and inappropriate relations with a service provider | February 2013 | - | External |
| **SANAS** |
|  | 1. Investigation into possible fraud
 | Fraudulent bank account details | September 2014 | - | External  |
| **NGB** |
|  | 1. Unauthorised Amendments to a tender document
 | Investigation into unauthorised changes effected to a tender document  | August 2014 | Internal | - |
|  | 1. Conflict of interest
 | Unauthorised work conducted by an official within the NGB that was not disclosed and/or approved by the NGB | September 2014 | Internal | - |
| **NLC** |
|  | 1. Corporate Business Insight Awareness cc report
 | Technical Surveillance Countermeasures Urgency and sensitivity - as recommended by SARS | August 2012 | - | External |
|  | 1. Fraud unit reports
 | Beneficiary related alleged fraud investigations. | July, August | Internal | - |
|  | 1. Ens Forensics & Ra Russel Adviser report
 | Forensic Investigation of the leak and Destruction of Confidential Documents  | August 2013 | - | External |
|  | 1. Nexus reports
 | Beneficiary related forensic investigation. | December 2013 | - | External |
|  | 1. Sizwe Ntsaluba Gobodo( SNG) reports
 | Beneficiary related forensic investigation. | November2013 | - | External |
|  | 1. Kwinana reports
 | Beneficiary related forensic investigation | November 2013 | - | External |
|  | 1. Gobodo Forensic Investigative Accounting(GFIA) report
 | Beneficiary related forensic investigation | April 2013 | - | External |
|  | 1. KPMG reports
 | Beneficiary related forensic investigation | June 2013 | - | External |
|  | 1. Fraud unit reports
 | Beneficiary related alleged fraud investigations. | July, August 2013  | Internal | - |
|  | 1. Nexus reports
 | Beneficiary related forensic investigation | April 2014 | - | External |
|  | 1. Nexus report
 | Forensic report on conflict of interest between beneficiary and junior staff memberConflict of interest between beneficiary and junior staff memberBeneficiary related forensic investigation. | September 2014September 2014August2014 | - | External |
|  | 1. Kwinana report
 | Beneficiary related forensic investigation | January,February, April 2014 | - | External |
|  | 1. Sizwe Ntsaluba Gobodo( SNG) reports
 | Beneficiary related forensic investigation | April, March, May 2014 | - | External |
|  | 1. Gobodo Forensic Investigative Accounting(GFIA) report
 | Forensic report on conflict of interest between beneficiary and junior staff member | April 2014 | - | External  |
|  | 1. KPMG reports
 | Beneficiary related forensic investigation | April, May, June 2014 | - | External |
|  | 1. Fraud unit reports
 | Beneficiary related forensic investigation | Jan to Dec 2014 | Internal | - |
|  | 1. Sizwe Ntsaluba report
 | Beneficiary related forensic investigation | July2015 | - | External |
|  | 1. Forensic unit reports
 | Beneficiary related forensic investigation | February-December 2015  | Internal | - |
|  | 1. Gobodo Forensic Investigative Accounting(GFIA) report
 | Beneficiary related forensic investigation | April 2015 | - | External |
|  | 1. Nexus reports
 | Beneficiary related forensic investigation | April 2015 | - | External |
|  | 1. Forensic unit report
 | Beneficiary related forensic investigation | January 2016 to date | Internal | - |
|  | 1. Sam Ledwaba attorneys report
 | Forensic investigation on a key management staff member received from the Hotline | June 2016 | - | External |
| **SABS** |
|  | 1. Investigation on the alleged loss of documents at the SABS
 | An investigation into the alleged loss of documents at the SABS premises.  | August 2016 | - | External |
|  | 1. Investigation on the alleged misconduct and non-adherence to the SABS policies
 | An investigation into the alleged appointment of suppliers without following SABS policies and procedures regarding contract management | July 2016 | - | External |
|  | 1. Investigation on the process followed pertaining to the renewal/re-issue of permits to one of the SABS client
 | An investigation into the alleged lack of due diligence by SABS staff members when issuing SABS permit to the client. | September 2015 | - | External  |
|  | 1. Investigation on the allegations of bribery and manipulation of data results
 | Investigation into allegation of bribery and manipulation of data results or test reports  | February 2015 | - | External |
|  | 1. Investigation into allegations of unethical conduct
 | Investigation on the alleged unethical conduct by one of the SABS employees  | February 2015 | - | External |
|  | 1. Investigation into possible fraud in the procurement practices at the SABS
 | Investigation into allegations of possible fraud regarding suppliers registrations process | May 2013 | - | External |
|  | 1. Investigation on the allegations of conflict of interest at the SABS.
 | Investigation conducted into the alleged conflict of interest and corporate governance  | July 2013 | - | External  |
|  | 1. Investigation on the alleged manipulation of supplier bank accounts
 | Investigation into fraudulent activities by SABS staff member. | December 2011 | - | External |
| **CIPC** |
|  | Investigation launched by the dti | Investigation into possible procurement irregularities | Sub Judice | - | External |