



May 25, 2022

**MEDIA STATEMENT  
FOR IMMEDIATE RELEASE  
25 MAY 2022**

**SIU WELCOMES THE PROSECUTION OF FOUR INDIVIDUALS FOR  
COLLUDING TO DEFRAUD PUBLIC WORKS**

The Special Investigating Unit (SIU) welcomes the arrest and subsequent prosecution of four individuals for allegedly colluding to defraud the Department of Public Works and Infrastructure of more than R2.8 million.

On 24 May 2022, Jan Mathebula, Solomon Mojela, Romeo Malope and Prudence Mohale appeared in the Pretoria Commercial Crimes Court on charges of fraud. They were released on bail of R2 000 each and the matter was postponed to 17 June 2022, for further investigation.

The prosecution of Mathebula, Mojela, Malope and Mohale follows an intensive investigation conducted by the SIU in the Public Works and Infrastructure department, which uncovered that supply chain management officials colluded with businesses, friends and family members to defraud the department through cover quoting. Six more individuals are expected to be arrested in the coming days, including the mastermind, and are expected to join the quartet in the box in June.

In February 2015, the Director General of the Public Works department wrote to the SIU indicating that the department had received a number of allegations of

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corruption related activities regarding the procurement of goods and services at the Pretoria and Durban regional offices. The allegations focused on the day to day maintenance contracts which the department had awarded to service providers and possible cover quoting.

The SIU's investigation revealed a trend of certain contractors being awarded more contracts than others. This disparate award of contracts was underpinned by a practice that indicated that entities linked to certain individuals/entities appeared to quote in collusion with each other. The invitation of suppliers onto the database of suppliers appears to have created an environment where the database is populated with various entities all linked to a single individual who is the ultimate beneficiary of the contract award.

The analysis of the data from the department revealed that 11 entities linked to one individual submitted quotations to the department, thus misrepresenting to the department that they were obtaining independent quotations. These actions led the department to believe that the markets were dictating the prices being charged when in fact the prices were being determined by the collusive actions of the 11 entities.

The effect of this practice was to ensure that the competitiveness and fairness element relating to public procurement was circumvented, allowing the suppliers, rather than a competitive and cost effective process, to dictate the charged prices.

The SIU was, in terms of Proclamation R20 of 2018, directed by President Cyril Ramaphosa to investigate allegations of corruption, maladministration, malpractice and payments made by the DPW together with the conducts of DPW employees. In line with SIU Act 74 of 1996, the SIU referred evidence pointing to criminality to the National Prosecuting Authority for further action.



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The prosecution of the four individuals is a continuation of the implementation of the SIU investigation outcomes and consequence management to recover assets and financial losses suffered by State institutions and/or to prevent further losses.

Fraud and corruption allegations may be reported via the following platforms:  
siu@hotline.co.za / Hotline: 0800 037 774.

Enquiries: Mr Kaizer Kganyago  
Head of Stakeholder Relations and Communications (SIU)  
012 843 0048 / 082 306 8888 / [kkganyago@siu.org.za](mailto:kkganyago@siu.org.za)


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## **ABOUT THE SIU:**

*The SIU is an independent statutory body with a primary mandate to investigate allegations of corruption, malpractice and maladministration in the affairs of government departments, municipalities and State Owned Entities, and to recover financial losses suffered by State institutions. The SIU was established in terms of the Special Investigating Units and Special Tribunal Act, Act No 74 of 1996 (SIU Act).*

*The SIU has powers to subpoena witnesses, bank statements and cellphone records, search, seize evidence and interrogate witnesses under oath. The SIU can take civil action to correct any wrongdoing it uncovers in its investigations.*

*Where criminal conduct is uncovered during investigations, the SIU will bring the matter to the attention of its partners Hawks in the South African Police Service (SAPS), as well as the National Prosecuting Authority (NPA) for further action.*



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