



September 29, 2022

**MEDIA STATEMENT
FOR IMMEDIATE RELEASE
29 SEPTEMBER 2022**

SIU WELCOMES THE PRESERVATION ORDER HANDED DOWN BY THE EAST LONDON HIGH COURT AGAINST LUXURY VEHICLE BOUGHT FOR GOVERNMENT OFFICIAL BY A SUPPLIER

The Special Investigating Unit (SIU) welcomes the preservation order obtained by the Asset Forfeiture Unit (AFU) on charges related to personal protective equipment (PPE) fraud and corruption tender and money laundering.

The East London division of the High Court granted AFU a preservation order to preserve a Mercedes-Benz V-class belonging to the chief director for supply chain management Marius Harmse, in the Eastern Cape Department of Education. The SIU investigations revealed that Siggibo Makupula, the director of Kups Trading was paid R4 million by the department on 31 August 2020, signed off by Harmse. In turn, Makupula purchased a Mercedes-Benz V-class with a payment of R328,000 for Harmse as an alleged kickback for the awarding of the PPE tender.

The SIU probe showed that Harmse was the beneficiary of a sum of R328 000, which was paid to Ronnies Motors, East London. This was done to conceal the benefit accrued as a deposit for the purchase of the car, which was ordered by Makupula, which purchase deal Makupula subsequently cancelled. The said amount, together with the sum of R305 000 was paid by Harmse, giving a total of R633 000 to Ronnies Motors as a deposit for the purchase of the motor vehicle which was ordered by Makupula. However, after the cancellation of the deal, the said motor vehicle accumulated a penalty of R60 000, which

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(College Square), Bloemfontein | Mpumalanga: 25 Samora Machel Drive, Mbombela Centre, 4th floor, Mbombela, 1200 | Limpopo: Ground Floor,
Moolman 500 Building, 31 Mark Street, Polokwane, 0070 | Western Cape: 1st Floor, Bytes Technology Building Raapenberg Road Golf Park, Pinelands, 7405
North West: 1st Floor, Protea Office Park, Sekame Road, Mahikeng | Mthatha: 13th Floor, PRD Building, Sutherland Street, Mthata, 5100
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was levied by Ronnies Motors. Makupula was subsequently reimbursed a sum of R573 000. This is where the layering of the proceeds of crime took place. It is on this basis that Harmse knowingly acquired; used or attained possession of the property and or ought reasonably to have known that it is or forms part of the proceeds of unlawful activities of another person.

The SIU investigation comes after President Cyril Ramaphosa signed Proclamation R.23 of 2020, which authorised the SIU to investigate all Covid-19-related contracts in all State institutions in respect of the procurement or contracting for goods, works and services, during, or in respect of the National State of Disaster, by or on behalf of State institutions.

In line with the Special Investigating Units and Special Tribunals Act 74 of 1996, evidence pointing to criminal conduct is referred to the National Prosecuting Authority for further action.

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

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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)