



December 8, 2022

**MEDIA STATEMENT
FOR IMMEDIATE RELEASE
08 DECEMBER 2022**

SIU AUTHORISED TO INVESTIGATE ALLEGATIONS OF CORRUPTION AND MALADMINISTRATION IN THE DEPARTMENT OF WATER AND SANITATION, SALDANHA BAY LOCAL MUNICIPALITY AND AMENDMENT OF ESKOM INVESTIGATIONS

President Cyril Ramaphosa has signed one new proclamation and two amended proclamations, authorising the Special Investigating Unit (SIU) to investigate allegations of corruption and maladministration in the affairs of the Department of Water and Sanitation, Saldanha Bay Local Municipality and Eskom Holdings SOC Limited, and to recover any losses suffered by the State.

Eskom

Proclamation R97 of 2022 authorises the SIU to further investigate allegations of corruption and maladministration at Eskom. As the SIU investigated allegations of corruption at the State-Owned Entity, the results of the investigations revealed that the SIU needs to do further investigations into areas that the existing proclamations did not cover. The SIU also received inundated new allegations with regards to Eskom. Many of these allegations fall outside of the existing SIU Eskom Proclamations. The SIU requested a Proclamation amendment in terms of time and focus areas. The amendment authorises the SIU to investigate in the following areas at Eskom:

Pretoria: 74 Watermeyer Street, Rentmeester Building, Meyers Park, 0183 | Eastern Cape: Sanlam Park, 59 Western Avenue, Vincent
KwaZulu-Natal: 214 Dr Pixley Kaseme Street, Durban Central, Durban, 4001 10th Floor Liberty Towers | Free State: 195 Nelson Mandela Drive, Telkom House
(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
Hotline: 0800 037 774 | www.siu.org.za | info@siu.org.za

The State's preferred and trusted anti-corruption forensic investigation and litigation agency

- Goods, works and services by Eskom's Kusile, Medupi, Kendal, Matla, Duvha, Arnot, Tutuka and Grootvlei power stations as well as Eskom's Head Office situated at Megawatt Park in Johannesburg.
- Contract for information technology and related services and any subsequent extensions or amendments thereof.
- Fuel oil supply contracts.

Department of Water and Sanitation

The SIU under Proclamation R96 of 2022 is authorised to investigate allegations of corruption and maladministration in the Department of Water and Sanitation. The SIU probe will focus on the procurement of, or contracting for goods, works or services by or on behalf of the Department in respect of a contract tendered for:

- Repairs to Pump Number 5 at Grootfontein Pump Station.
- Replacement of Rising Main 1 & 2 Power Packs and Controls at Grootfontein Pump Station.
- Design, supply, installation, and commissioning of Packaged Water Treatment Plant at Grootdraai Pump Station by the Department in a manner that was not fair, competitive, transparent, equitable or cost-effective, contrary to applicable legislation, manuals, guidelines, circulars, practice notes or instructions issued by the National Treasury.

The SIU investigation will focus on unlawful or improper conduct by employees and officials that were fraudulent, improper, or unlawful by any person or entity that unduly benefited themselves or any other person. The SIU will also investigate any irregular, fruitless and wasteful expenditure incurred by institutions or the State.

The probe will cover any unlawful or improper conduct that took place between 01 January 2019 and 2 December 2022, the date of the proclamation or which took place prior to 1 January 2019 or after the date of publication of this Proclamation, but is relevant to,

connected with, incidental or ancillary to the matters investigated or involve the same persons, entities or contracts investigated.

Saldanha Bay Local Municipality

Proclamation R95 of 2022 authorises the SIU to further investigate allegations of corruption into the affairs of **Saldanha Bay Local Municipality**. The Proclamation is an extension of Proclamation R. 39 of 2020, which probed the procurement of two contracts. The first contract is regarding security services and the second is in connection with professional consulting engineering services for the formalisation, rezoning and subdivision, related environmental authorisation and land surveyor services for portion 24 of Farm 282 in Middelpos in the Municipality.

The extension of the Proclamation will see the SIU investigating allegations of serious maladministration in the Municipality in respect to:

- Strategic partnership concluded between the Municipality and the Saldanha Bay Tourism Office, including the expenditure of public money paid out by the Municipality to the Saldanha Bay Tourism Office
- Appointment of the Personal Assistant: Speaker and Council Support, Mayoral Support Service, Political Administrator, Strategic Advisor and Executive Mayor: Communications Officer in the year 2019/2020
- Writing off by the Municipality's Council of irregular expenditure of R1 757 758 and R9 959 912, as identified by the Auditor-General of South Africa in its Notes to the Annual Financial Statements of the Municipality as at 30 June 2019, including the causes of such maladministration.

Furthermore, the SIU probe will also look into any improper or unlawful conduct by the officials or employees of the Municipality or the applicable service providers, or any other person or entity.

In all proclamations, the SIU will refer evidence pointing to criminal conduct it uncovers during its investigations to the National Prosecuting Authority (NPA) for further action. The SIU is empowered to institute civil action in the High Court or a Special Tribunal in its name, to correct any wrongdoing uncovered during its investigation caused by acts of corruption, fraud, or maladministration.

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
Special Investigation Unit
012 843 0048
082 306 8888
kkganyago@siu.org.za

-----END-----

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)