

PROCLAMATION*by the**President of the Republic of South Africa***No. R. 8, 2004****SPECIAL INVESTIGATING UNITS AND SPECIAL TRIBUNALS ACT, 1996 (ACT NO. 74 OF 1996): REFERRAL OF MATTERS TO EXISTING SPECIAL INVESTIGATING UNIT AND SPECIAL TRIBUNAL**

WHEREAS allegations as contemplated in section 2(2) of the Special Investigating Units and Special Tribunals Act, 1996 (Act No. 74 of 1996), have been made in respect of the affairs of the Lydenburg Transitional Local Council which has been succeeded by the Thaba Chweu District Municipality in the Mpumalanga Province (hereinafter referred to as "the Municipality");

AND WHEREAS I deem it necessary that the said allegations should be investigated and justiciable civil disputes emanating from such investigation should be adjudicated upon;

NOW, THEREFORE, I hereby, under section 2(1) of the said Act, and at the request of the Premier of the Mpumalanga Province, refer the matters in the Schedule for investigation to the Special Investigating Unit established by Proclamation No. R. 118 of 31 July 2001 and determine that, for the purposes of the investigation of these matters, the terms of reference of the Special Investigating Unit are to investigate as contemplated in the said Act, any -

- (a) serious maladministration in connection with the affairs of the Municipality;

- (b) improper or unlawful conduct by officials of the Municipality;
- (c) unlawful appropriation or expenditure of public money or property;
- (d) unlawful, irregular or unapproved acquisitive act, transaction, measure or practice having a bearing upon State property;
- (e) intentional or negligent loss of public money or damage to public property;
- (f) corruption in connection with the affairs of the Municipality; or
- (g) unlawful or improper conduct by any person which has caused or may cause serious harm to the interests of the public or any category thereof,

which has taken place between 1 December 1995 and the date of publication of this Proclamation and to exercise or perform all the functions and powers assigned to or conferred upon the said Special Investigating Unit by the said Act in relation to the matters.

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Twenty-second day of January Two thousand and four.

T. M. MBEKI

President

By Order of the President-in-Cabinet:

P. M. MADUNA

Minister of the Cabinet

SCHEDULE

1. Losses suffered by the Municipality as a result of investments, the premature termination of investments and an investment becoming paid-up.
2. The investment of funds of the Municipality contrary to the provisions of section 10G of the Local Government Transition Act, 1993 (Act No. 209 of 1993), resolutions of the Municipality's Executive Committee and requirements of the Auditor-General.
3. The transfer of the proceeds of an investment of the Municipality into the account of an investment broker company and the retention by the investment broker company of a portion of the proceeds of the investment together with interest accrued on such proceeds.
4. The retention by the Municipality of the advisory services of the investment broker company mentioned in paragraph 3 at the payment of commission despite the losses suffered by the Municipality as a result of the actions of the investment broker company.
5. The failure of the Municipality to recover losses suffered by the Municipality as a result of the actions of the investment broker company referred to in paragraph 3.