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**MEDIA STATEMENT  
FOR IMMEDIATE RELEASE  
06 JUNE 2024**

**SIU WELCOMES THE CONSTITUTIONAL COURT DISMISSAL OF MPHAPHULI CONSULTING'S  
BID TO REVIEW THE SIU REPORT ON OPERATION MABONE**

The Constitutional Court has dismissed with costs an application brought by Mphaphuli Consulting (PTY) LTD, an engineering company owned by Lufuno Mphaphuli, to appeal the High Court of South Africa: Limpopo Division, Polokwane, judgment on the investigation report by the Special Investigating Unit (SIU) relating to electrification of villages in Limpopo Province.

In the judgment dated 3 June 2024, the Constitutional Court states that it "considered the application for condonation and application for leave to appeal and has concluded that the application for leave does not engage its jurisdiction. Consequently, leave to appeal must be refused with costs and the Court need not decide the application for condonation".

The SIU welcomes the decision of the Constitutional Court, as it now settles the question of whether the SIU was empowered to investigate the electrification of villages under Greater Tubatse Municipality and paves the way for the civil claim against the engineering company to recover approximately R76 million to commence in the Limpopo High Court.

An investigation by the SIU into the affairs of Greater Tubatse Municipality revealed that the municipality piggybacked on an existing contract between Mphaphuli Consulting and Vhembe District Municipality to electrify villages. However, the terms of the contract were changed to increase the pricing of the services by more than R5 000 than what was charged in Vhembe resulting in an overpayment of approximately R76 million. The SIU instituted a civil claim in 2017 in the Limpopo High Court to recover financial losses suffered by the Municipality following the conclusion of its investigation.

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In response, Mphaphuli Consulting brought an application to review and set aside the SIU report and to seek an order compelling the SIU to stop all steps taken against the engineering company, which emanated from the SIU's investigation. In March 2022, the Limpopo High Court dismissed the application with costs. In August 2023, the Supreme Court of Appeal dismissed the application with costs and now the apex court has also dismissed it with costs. The SIU will start the process of pursuing the legal fees it is owed by Mphaphuli Consulting for these court proceedings and other related legal processes.

The SIU was authorised under Proclamation R52 of 2014 to investigate allegations of corruption and maladministration in the affairs of Greater Tubatse Local Municipality (now Fetakgomo Tubatse).

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 investigations caused by acts of corruption, fraud, or maladministration. In line with the Special Investigating Units and Special Tribunals Act 74 of 1996, the SIU refers any evidence pointing to criminal conduct it uncovers to the National Prosecuting Authority (NPA) for further action.

**END.**

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