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MEDIA STATEMENT FOR IMMEDIATE RELEASE 25 NOVEMBER 2024

SIU IS AUTHORISED TO INVESTIGATE ALLEGED MALADMINISTRATION IN AIRPORTS COMPANY OF SOUTH AFRICA, GAUTENG DEPARTMENT OF SPORT, ARTS, CULTURE, AND RECREATION, ETHEKWINI METROPOLITAN MUNICIPALITY AND NGQUSHWA LOCAL MUNICIPALITY

President Cyril Ramaphosa has signed four new proclamations authorising the Special Investigating Unit (SIU) to investigate allegations of maladministration and corruption in interest rate swap agreements at Airports Company of South Africa related to State Capture findings, two contracts in the Gauteng Department of Sport, Arts, Culture, and Recreation; procurement of security services and VIP protection services in the eThekwini Metropolitan Municipality, and upgrade of a sports field and Supply and Delivery of Mayoral SUV Luxury Vehicle in Ngqushwa Local Municipality.

State-owned entities- Proclamation 228 of 2024

Proclamation 228 of 2024 addresses allegations of maladministration and financial mismanagement in the affairs of Airports Company of South Africa (ACSA) regarding Interest Rate Swap Agreements: Investigating agreements with various banks, as highlighted in the Judicial Commission of Inquiry into State Capture.

The investigation will look into improper or unlawful conduct by employees or officials of the Airports Company South Africa (ACSA). This includes the unlawful appropriation or expenditure of public funds or property; irregular or unapproved transactions, practices, or measures involving state property; intentional or negligent loss of public funds; damage to public assets; and offences outlined in the Prevention and Combating of Corrupt Activities Act, 2004. The investigation also extends to any unlawful or improper conduct by individuals causing or potentially causing significant harm to public interests.

The Proclamation covers allegations of unlawful and improper conduct that occurred between 1 January 2008 and 22 November 2024, as well as any related activities before 1 January 2008 and after the date of the

Proclamation that is pertinent to the matters under investigation or involve the same persons, entities, or contracts.

Provincial Government Department- Proclamation 225

Proclamation 225 of 2024 authorises the SIU to investigate allegations of maladministration, within the Gauteng Department of Sport, Arts, Culture, and Recreation regarding two contracts:

- The supply and installation of a surveillance CCTV and monitoring system in the Department's Surrey House in 2019.
- The Heritage Day Social Cohesion Carnival hosted by the Department in 2019.

The probe will examine the procurement and contracting of goods and services conducted by or on behalf of the Department. It will determine whether the payments made followed national treasury guidelines and assess whether these payments were irregular. It will also determine whether any were fruitless, wasteful expenditures or resulted in financial losses for the Department or the State.

The Proclamation covers allegations of unlawful and improper conduct that occurred between 1 January 2019 and 22 November 2024, as well as any related activities before 1 January 2019 and after the date of the Proclamation that is pertinent to the matters under investigation or involves the same persons, entities, or contracts.

Local Government

Proclamation 226 of 2024

Proclamation 226 of 2024 authorises the SIU to investigate eThekwini Metropolitan Municipality's procurement of Security and VIP Protection Services. The SIU's investigation seeks to determine if the process was conducted fairly and transparently, and whether service providers delivered as contracted.

Furthermore, the probe will ascertain if there is unlawful or improper conduct of the Municipality's employees, officials or agents and (any other person or entity to corruptly or unduly benefit themselves or others.

The Proclamation covers allegations of unlawful and improper conduct that occurred between 1 January 2004 and 22 November 2024, as well as any related activities before 1 January 2004 and after the date of the Proclamation that are pertinent to the matters under investigation or involve the same persons, entities, or contracts.

Proclamation 227 of 2024

Proclamation 227 of 2024 focuses on procurement and contracting irregularities in Ngqushwa Local Municipality, in the Eastern Cape Province, for the procurement and contracting of the following:

- Upgrade and Completion of the New Creation Sports Field.
- Procurement of a Mayoral Luxury SUV

The SIU will look at payments made in a manner that was not fair, competitive, transparent, equitable, or cost-effective or in violation of applicable legislation, guidelines, or instructions from the National or Provincial Treasury. This also includes the Municipality or the State's unauthorised, irregular, or wasteful expenditure.

The probe will also look at any irregular, unlawful, or improper conduct by officials or employees of the Municipality, its suppliers or service providers, or any other person or entity implicated. The Proclamation covers allegations of unlawful and improper conduct that occurred between 1 January 2019 and 22 November 2024, as well as any related activities before 1 January 2019 and after the date of the Proclamation that is pertinent to the matters under investigation or involves the same persons, entities, or contracts.

Beyond investigating maladministration, corruption, and fraud, the SIU will identify systemic failures and recommend measures to prevent future losses.

In line with the Special Investigating Units and Special Tribunals Act 74 of 1996 (SIU Act), the SIU will refer any evidence of criminal conduct uncovered during its investigation to the National Prosecuting Authority (NPA) for further action. The SIU is also authorised under the SIU Act to initiate a civil action in the High Court or a Special Tribunal in its name to address any wrongdoing identified during its investigation resulting from acts of corruption, fraud, or maladministration.

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