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**MEDIA STATEMENT  
FOR IMMEDIATE RELEASE  
03 FEBRUARY 2025**

**SIU IS AUTHORISED TO INVESTIGATE ALLEGED MALADMINISTRATION IN ITHALA  
DEVELOPMENT FINANCE CORPORATION, GREATER KOKSTAD LOCAL MUNICIPALITY,  
LLEPELE-NKUMPI LOCAL MUNICIPALITY, GREATER NORTH TRANSPORT**

President Cyril Ramaphosa has signed four new proclamations-Proclamations 243, 244, 245 and 246 of 2025- authorising the Special Investigating Unit (SIU) to investigate allegations of maladministration and corruption at Ithala Development Finance Corporation, Greater Kokstad Local Municipality, Llepele-Nkumpi Local Municipality and Greater North Transport.

**1. Proc 243 of 2025 – Ithala Development Finance Corporation**

Proclamation 243 of 2025 authorises the SIU to investigate serious maladministration in connection with the affairs of the Ithala Development Finance Corporation situated in KwaZulu-Natal, focusing on tendering for the supply, implementation, and maintenance of an integrated banking solution.

The probe will determine if contract payments adhered to national treasury guidelines were irregular, wasteful, or led to financial losses for the department or state. The SIU will also investigate any unlawful conduct by Ithala employees or officials that may have resulted in improper benefits.

Furthermore, the investigation will assess whether fraudulent actions occurred, identify any resultant losses or damages, and examine any irregular or unlawful behaviour by Ithala employees or other entities.

The Proclamation covers allegations of unlawful and improper conduct that occurred between 1 January 2017 and 31 January 2025, as well as any related activities before 1 January 2017 and after the date of the Proclamation that are pertinent to the matters under investigation or involve the same persons, entities, or contracts.

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## **2. Proc 244 of 2025 – Greater Kokstad Local Municipality**

Proclamation 244 of 2025 directs the SIU to probe two tenders by the Greater Kokstad Local Municipality in KwaZulu-Natal. These tenders are:

- for the appointment of a service provider to supply and renew software licences for three years.
- for the appointment of a service provider to supply customer care and IT service desk solutions.

The SIU probe will examine whether the procurement and contracting were 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 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 2022 and 31 January 2025, as well as any related activities before 1 January 2022 and after the date of the Proclamation that are pertinent to the matters under investigation or involve the same persons, entities, or contracts.

## **3. Proc 245 of 2025 – Llepele-Nkumpi Local Municipality**

Proclamation 243 of 2025 mandates the SIU to investigate serious maladministration in the affairs of Llepele-Nkumpi Local Municipality in Limpopo Province regarding procuring and contracting for goods, works or services for six contracts. The contracts under investigation are:

- tender relating to professional services for the closure and rehabilitation plan of the old dumping site in Zone A.
- the award of contracts in or about August 2015 for the electrification of Rakgoatha Village Extension, Mapatjakeng Village Extension and Motserereng Village Extension.
- the award of a contract in or about June 2016 for upgrading the access road from Units S to Q.
- the award of a contract in or about June 2016 for constructing the Madisha Ditoro small access bridge and upgrading internal streets and stormwater drains (phase 1) in Rakgoatha.
- the award of a contract in or about April 2016 for tarring 9 km of internal streets in Rockville and Unit S, Lebowakgomo.

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- The contract was awarded in or about December 2013 for refurbishing the Lebowakgomo Civic Centre.

#### **4. Proc 246 of 2025 - Greater North Transport**

Proclamation 246 of 2025 authorises the SIU to investigate allegations of corruption in eight contracts and maladministration in six contracts at the Greater North Transport (GNT) in Limpopo Province. The SIU will investigate the allegations of corruption of board members, officials or employees of the GNT or contractors, suppliers or service providers for the following tenders:

- appointment of Raletjena Technologies and Trading (Pty) Ltd.
- extension of a contract between the GNT and Group 4 Security (Fidelity Cash Management) (Pty) Ltd
- appointment of Scania South Africa (Pty) Ltd to provide repair and maintenance services to the GNT.
- procurement of 150 busses from Mercedes Benz South Africa (Pty) Ltd
- procurement of 87 80-seater busses from MAN Truck and Bus South Africa (Pty) Ltd
- appointment of BB Truck and Tractor Services (Pty) Ltd to provide repair and maintenance services to the GNT
- procurement of legal services
- procurement of a fleet management system.

Furthermore, the SIU will also probe allegations of maladministration in the affairs of the GNT and any losses or prejudice suffered by the GNT or the State as a result of such maladministration concerning:

- fruitless and wasteful expenditure incurred by the GNT as a result of interest payments made to Africa Oil (Pty) Ltd;
- a settlement agreement concluded with Umvuzo Energy (Pty) Ltd

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- the mismanagement of diesel supplies.
- the failure to collect the debt that was due and owing to the GNT
- An agreement was entered into between the GNT and emerging bus operators.

The probe will also examine whether the payments for these contracts adhered to national treasury guidelines and ascertain whether the payments were irregular, fruitless, and wasteful expenditures or financial losses for the department or the state. Furthermore, the SIU will seek to establish if there was unlawful or improper conduct by the department employees, officials, agents, and any other person or entity to corruptly or unduly benefit themselves or others.

The investigation will also at whether fraudulent conduct occurred, including the causes of such maladministration, any losses, damages, or prejudice actually or potentially suffered by the department or the State, and any irregular, improper, or unlawful conduct by employees or officials of the department or any other person or entity.

The Proclamation covers allegations of unlawful and improper conduct that occurred between 1 January 2002 and 31 January 2025, as well as any related activities before 1 January 2002 and after the date of the Proclamation that are pertinent to the matters under investigation or involve the same persons, entities, or contracts.

Beyond investigating maladministration, corruption, and fraud, the SIU is committed to identifying systemic failures and recommending 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.

Under the SIU Act, the SIU is also authorised 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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