



**MEDIA STATEMENT
FOR IMMEDIATE RELEASE
10 SEPTEMBER 2025**

CONSTRUCTION COMPANY ORDERED TO PAY BACK R68.9 MILLION EARNED FRAUDULENTLY FROM MOGALAKWENA MUNICIPALITY IN LIMPOPO

The Special Tribunal has ordered Easyway, Tarmac, Pave, and Projects CC to pay the Special Investigating Unit (SIU) a sum of R68,866,908.88 plus interest, declaring its R167.9 million contract with the Mogalakwena Local Municipality unconstitutional, unlawful and invalid. The company fraudulently misrepresented its grades and projects undertaken, thereby inducing the Municipality to award the tender to it. The specified amount encompasses all financial payments made by the municipality to Easyway.

The order follows a successful application by the SIU to review and set aside the award of the tender for the supply, delivery, installation, and/or construction of borehole development, storage reservoirs, and bulk gravity supply pipelines, which was awarded to Easyway in February 2018.

The Tribunal upheld the SIU's evidence that Easyway deliberately lied in its bid documents. The company claimed to have completed three projects, each valued at over R50 million, for various municipalities. The SIU investigation, supported by affidavits from municipal managers, proved these claims were false. In one instance, Easyway inflated the value of an actual project from R6.1 million to over R50.8 million. In another, Easyway claimed a project that never existed.

The SIU's investigation found that Easyway would not have scored the minimum points required to qualify for the tender had it not made false claims. Furthermore, the Tribunal held that Easyway's contractor grading legally disqualified it from undertaking a contract of this value (R167.9m), which was approximately 29% above its permitted threshold.

Furthermore, the evaluation process by the Municipality's Bid Evaluation Committee was found to be unfair and non-transparent, as it failed to score bids according to its own specifications properly and could not justify why a higher-scoring bidder was overlooked.

In his order, Judge BA Mashile noted how the community has been disadvantaged because the project had to be stopped.

"The award should not have been made in the first place, and no contract should have been concluded between the Municipality and Easyway," stated Judge Mashile. By committing the fraud, Easyway has made its bed and must lie in it.

The Tribunal ruled that Eastway must also pay for the SIU's legal costs for this application.

The SIU was authorised by Proclamation R180 of 2021 to investigate and recover the loss the State has suffered due to the contract.

The SIU is committed to ensuring that the Tribunal's order is implemented and that public funds are recovered. 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.

END.

Enquiries:

Kaizer Kganyago

Spokesperson for the Special Investigating Unit

Tel: 012 843 0048 / Mobile: 082 306 8888

Email: KKganyago@siu.org.za