

DEPARTMENT OF JUSTICE AND
CONSTITUTIONAL DEVELOPMENT

M. Kare
26 AUG 2026

PRETORIA

MADLANGA COMMISSION
OF INQUIRY

MADLANGA COMMISSION

Reference: MC-SUB-SADIC-2025-001

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1.2

The material presently available includes an official Inspector General anti-corruption investigation conducted within the Department of Defence, financial and procurement documentation, evidence concerning substantial transfers of public funds, payments to the contractor, documents requiring authentication and verification, and identified officials and other persons whose conduct requires prosecutorial determination by the competent authorities.

1.3

The matter should therefore no longer be treated merely as an allegation awaiting preliminary administrative consideration. The evidential material has reached the stage at which **suspension of all listed parties, preservation of evidence, immediate criminal referral, identification of all relevant actors and an urgent independent prosecutorial determination are warranted.**

1.4

The Pan-African Peace Commission does not ask the Commission to determine criminal guilt, conduct a criminal trial or usurp the constitutional functions of the National Prosecuting Authority ("NPA").

1.5

The relief sought is directed instead at activating the criminal-justice process in accordance with the Madlanga Commission's mandate, securing relevant evidence and ensuring that the competent investigative and prosecutorial authorities determine, on the evidence, whether prosecution and criminal proceedings should be instituted.



1.6

The Commission's current Terms of Reference expressly contemplate referral of matters for urgent decisions on prosecution and immediate criminal investigation. The Presidency has also confirmed that this referral power has been exercised by the Commission in other matters.

2. OFFICIAL INSPECTOR GENERAL INVESTIGATION AND EVIDENTIAL BASIS

2.1

The principal evidential foundation of this referral is the official Inspector General Investigation Report bearing reference **DEF INSP DIV/C/501/16/5/1/4**, dated **19 March 2026**.

2.2

The report was prepared within the Department of Defence's anti-corruption structures and endorsed at Inspector General level. It records irregularities requiring prosecution, further investigation and consequence management.

2.3

The criminal-justice authorities should therefore be placed in possession of the complete official investigative material so that the matters already investigated by the Department are not unnecessarily duplicated.

2.4

Exhibit A is incorporated into this **Formal Referral and Evidential Record**.



3. PRINCIPAL FINANCIAL TRANSACTION AND PUBLIC EXPENDITURE

3.1

Approximately **R46,523,815.86** in public funds was transferred by the Department of Defence to the Development Bank of Southern Africa ("**DBSA**"), acting as implementing agent for the project with a **DBSA** estimate of **R65.87 million**.

3.2

The evidence presently available raises material questions concerning:

- (a) the authority for the transfer;
- (b) the Financial Authorisation supporting the transfer;
- (c) the identity and role of every person who created, approved, processed or facilitated the authorisation;
- (d) whether the required approval gates were satisfied;
- (e) whether milestone-based verification occurred;
- (f) whether segregation of duties was maintained;
- (g) whether independent verification occurred;
- (h) whether contractual conditions governing the release of funds were complied with; and
- (i) whether any person knowingly or recklessly facilitated the unlawful release or expenditure of public funds.



3.3

○ These questions are sufficiently specific to permit a focused criminal investigation. They concern an identifiable transaction involving an identifiable quantum of public money and an identifiable chain of financial authorisation.

4. PAYMENTS TO MOTHAPO CONSTRUCTION AND ALLEGED NON-PERFORMANCE

4.1

The available evidence indicates that Mothapo Construction and Engineering received payments in the region of **R29 million to R36 million**, notwithstanding evidence concerning non-completion of the contracted works.

4.2

The precise amount must be established through reconciliation of the complete **DBSA**, Department of Defence, contractor and project-accounting records. **DBSA** received **R46,523,815.86** so the question is: to whom was the balance of the **R65 million** transferred. And then to pay Moke Construction additional expenditure of approximately **R12,175,904.96** on an urgent basis to continue, yet still no certificate of project completion years later?

4.3

The evidence further raises serious questions concerning forged documents allegedly submitted as proof of progress or performance. Their authenticity, provenance, authorship and purpose require determination by competent investigators.

4.4

If the documents were knowingly fabricated, falsified or used to induce payment, the conduct



may disclose offences including fraud, forgery and uttering, and potentially offences under the Prevention and Combating of Corrupt Activities Act 12 of 2004 ("PRECCA"), depending upon the facts ultimately established.

4.5

The Commission is not asked to make such a finding. The purpose of the referral is to ensure that these matters are placed before the authorities competent to prosecute and further investigate.

5. DBSA VERIFICATION, PAYMENT CONTROLS AND RETENTION

5.1

The available evidence raises questions concerning the adequacy of **DBSA's** verification before payments were released to **Mothapo Construction**.

5.2

The investigation should establish:

- (a) who certified progress;
- (b) who verified physical completion;
- (c) what documents were relied upon;
- (d) who authorised payment;
- (e) whether site inspections occurred;
- (f) whether those inspections accurately reflected the state of the works;



(g) whether the contractual retention requirement was applied;

○

(h) whether deviations were approved;

(i) whether DBSA officials raised concerns;

(j) whether Department of Defence officials raised concerns; and

(k) whether any person knowingly or negligently facilitated payments unsupported by actual contractual performance.

5.3

The failure, if established, to enforce the contractual **10% retention provision** is particularly relevant to the State's financial exposure and requires investigation.

5.4

The criminal authorities should determine whether the facts disclose negligence, maladministration, gross dereliction of duty, fraud, corruption, collusion or another offence.

6. PROCUREMENT APPROVAL AND POSSIBLE IRREGULAR DEVIATION

6.1

The evidence indicates that the initial procurement approval was made by **Maj. Gen. M.J. Ledwaba** without a competitive process and without an adequate recorded justification for the departure from ordinary procurement procedures.

6.2

The circumstances require examination against **section 217 of the Constitution**, the



applicable procurement framework, departmental policies, delegations of authority and any applicable defence-specific procurement arrangements.

6.3

Section 217(1) requires procurement by an organ of state to be conducted in accordance with a system that is fair, equitable, transparent, competitive and cost-effective, subject to the constitutional and legislative framework.

6.4

The investigation must establish whether the procurement departure was lawfully authorised or constituted an unlawful deviation, and whether it was connected to fraud, corruption, collusion, improper influence or another criminal offence.

7. IDENTIFICATION OF "MR LUKE FROM DI" AND THE FINANCIAL AUTHORISATION

7.1

Witness evidence refers to an individual identified as "**Mr Luke from DI**", allegedly involved in creating or generating the Financial Authorisation associated with the approximately R46 million transfer.

7.2

The Inspector General material does not presently establish that person's formal identity. This is an outstanding evidential issue of considerable importance.

7.3

The competent authorities should urgently obtain:





- (a) financial-system audit trails;
- (b) user credentials;
- (c) system-access logs;
- (d) email correspondence;
- (e) metadata;
- (f) approval records;
- (g) electronic signatures;
- (h) authorisation histories;
- (i) relevant personnel records;
- (j) delegation records; and
- (k) any other electronic or documentary material capable of identifying the person.

7.4

The failure to identify this individual should not delay the criminal referral. Identification of "Mr Luke from DI" should instead be treated as an immediate investigative priority.

8. STATE LOSS, ADDITIONAL EXPENDITURE AND RECOVERY

8.1

The available material indicates that recovery proceedings against Mothapo Construction have not been instituted at all, notwithstanding with the urgency reasonably expected following evidence of non-performance.

8.2

A replacement contractor, Moke Construction, was subsequently engaged at additional expenditure of approximately **R12,175,904.96**.

8.3

On the presently available figures, the State's gross financial exposure is approximately **R58.7 million**, subject to complete forensic reconciliation and without prejudging questions of recoverability, duplication or causation.

8.4

The investigation should establish:

- (a) when non-performance became known;
- (b) when allegedly false or misleading documentation was identified;
- (c) who was responsible for initiating recovery;
- (d) whether legal advice was obtained;
- (e) why recovery proceedings were delayed, if they were;
- (f) whether any official authorised further payments after knowledge of non-performance;
- (g) whether any official had a duty to mitigate the State's loss;
- (h) whether any person benefited directly or indirectly; and
- (i) whether any portion of the State's loss remains recoverable.



8.5

Criminal liability arising from subsequent acts or omissions must be determined on the evidence and should not be inferred merely from the occurrence of financial loss.

9. POTENTIAL CRIMINAL OFFENCES REQUIRING INVESTIGATION

9.1

Without purporting to charge or convict any person, the evidence should be investigated for potential offences including, where the evidential and statutory requirements are satisfied:

- (a) fraud;
- (b) corruption and offences under PRECCA;
- (c) forgery and uttering;
- (d) theft;
- (e) money laundering where the requisite elements are present;
- (f) offences relating to unlawful procurement;
- (g) defeating or obstructing the administration of justice, where applicable;
- (h) contraventions of applicable financial-management legislation;
- (i) contraventions of applicable defence or departmental procurement legislation and regulations; and
- (j) any other common-law or statutory offences disclosed by the evidence.

9.2

The legal characterisation of the conduct should be made by competent investigators and prosecutors, not by the referring body. This preserves the constitutional independence of the NPA while ensuring that the available evidence is acted upon.



10. CRIMINAL REFERRAL AND URGENT PROSECUTORIAL DETERMINATION

10.1

The matter has passed beyond the stage at which the State is required merely to establish whether an allegation exists. There is already an official departmental anti-corruption investigation, supplemented by financial, procurement and documentary material identifying:

- (a) substantial public expenditure;
- (b) an identifiable financial transfer;
- (c) identified recipients of public funds;
- (d) identified procurement decisions;
- (e) officials involved in the relevant processes;
- (f) alleged documentary irregularities;
- (g) alleged non-performance;
- (h) subsequent State expenditure;
- (i) an unidentified financial-authorisation actor; and
- (j) an official departmental anti-corruption investigation.

10.2

There is accordingly a concrete evidential basis requiring criminal investigation.

10.3

The immediate prosecutorial question is whether the evidence presently available,



supplemented if necessary by focused investigation, provides reasonable and probable cause and otherwise satisfies the applicable prosecutorial standards for institution of criminal proceedings.

10.4

The Supreme Court of Appeal's decision in ***National Director of Public Prosecutions v Sijoyi Robert Mdhlovu [2024] ZASCA 85; 2024 (2) SACR 331 (SCA)*** is relevant. The Court held that the test for reasonable and probable cause is objective and that a prosecutor need not possess evidence establishing a *prima facie* case, still less proof beyond reasonable doubt, before deciding to initiate a prosecution.

10.5

Accordingly, outstanding investigative questions do not necessarily require the matter to remain indefinitely at a preliminary administrative stage. Those questions may be addressed through focused criminal investigation alongside an independent prosecutorial assessment.

10.6

The appropriate progression is therefore:

Suspension or exclusion of all parties mentioned in the IG Report → preservation and securing of evidence → independent prosecutorial determination → criminal referral → focused criminal investigation.

10.7

The matter should be characterised as **ripe for prosecution determination**, rather than as a matter in which prosecution is legally predetermined.



10.8



The competent prosecutor should therefore determine urgently whether:

- (a) charges should immediately be instituted;
- (b) specific targeted investigation should precede charging; or
- (c) further investigation is required before a final charging decision.

10.9

The request is for an **independent prosecutorial decision**, not a **predetermined prosecutorial outcome**.

11. PROSECUTORIAL STANDARD, CONSTITUTIONAL FUNCTIONS AND CASE LAW

11.1

Section 179 of the Constitution vests the prosecutorial function in the **NPA**.

11.2

The Madlanga Commission is nevertheless empowered by its Terms of Reference to refer matters for urgent decisions on immediate prosecution and criminal investigation. The applicable jurisprudence does not require the Madlanga Commission to establish criminal guilt before making such a referral.

11.3

The proper approach is to distinguish between:

- (a) matters already supported by evidence;

(b) matters requiring corroboration;

☐ (c) matters requiring forensic examination; and

(d) matters requiring further investigation.

11.4

The existence of matters falling within categories (b), (c) and (d) does not prevent an urgent prosecutorial assessment of the evidence falling within category (a).

12. URGENT PRECAUTIONARY SUSPENSION AND PROTECTIVE EXCLUSION

12.1

Given the nature of the evidence, the Pan-African Peace Commission requests that the competent employing authorities urgently consider the **precautionary suspension of every serving officer or official whose continued access to the workplace, financial systems, procurement processes, project records, witnesses or classified information could reasonably prejudice the criminal investigation or related disciplinary proceedings.**

12.2

The purpose of such suspension must be precautionary and protective, and not punitive.

Relevant purposes include:

(a) protecting documentary and electronic evidence;

(b) preventing interference with witnesses;

(c) preventing access to or alteration of financial records;

(d) preventing interference with procurement systems;





- (e) protecting classified and defence-intelligence information;
- (f) preventing further expenditure or financial commitments connected to the project;
- (g) preventing collusion between implicated persons;
- (h) preserving the integrity of disciplinary proceedings; and
- (i) protecting the integrity of the criminal investigation.

12.3

The Constitutional Court in *Long v South African Breweries (Pty) Ltd and Others [2019] ZACC 7; 2019 (5) BCLR 609 (CC)* confirmed that precautionary suspension is distinct from punitive suspension and may be permissible where it serves to protect the integrity of an investigation.

12.4

MEC for Education, North West Provincial Government v Gradwell [2012] ZALAC 8; [2012] 8 BLLR 747 (LAC) similarly recognises precautionary suspension as a protective measure, particularly where continued workplace presence may compromise an investigation.

12.5

Where there is a credible basis for serious misconduct and a reasonable concern that an implicated official's continued presence may compromise an investigation, precautionary suspension is therefore lawful and appropriate, provided the employer acts within the applicable statutory and employment framework and the suspension remains genuinely precautionary rather than punitive.

12.6

The appropriate immediate administrative measure is accordingly **precautionary exclusion from relevant duties and systems**, subject to the applicable employment regime, rather than any assertion that suspension constitutes a finding of guilt.

12.7

Where the applicable statutory or employment framework permits precautionary suspension, it should ordinarily be **on full pay**, unless the governing framework lawfully provides otherwise.

12.8

The suspension should remain in force only for as long as lawfully necessary to protect the integrity of the investigation and related proceedings, subject to applicable statutory, regulatory and employment-law limits.

12.9

The Commission should not suggest that South African law creates an automatic rule requiring every suspect to remain suspended until conclusion of a criminal trial. The legality, duration and conditions of suspension depend upon the applicable employment instrument and the facts demonstrating continuing precautionary need.

12.10

Where an implicated person occupies a position of authority over investigators, witnesses, financial systems, procurement processes or classified information, those circumstances materially strengthen the case for precautionary exclusion. This consideration is particularly relevant where the allegations concern Defence Intelligence, financial authorisations,



procurement processes and potentially sensitive State information.

13. NO PREJUDGMENT OF GUILT AND PRESERVATION OF CONSTITUTIONAL FUNCTIONS

13.1

The Pan-African Peace Commission expressly records that:

- (a) no person named in this **Formal Referral and Evidential Record** is presumed guilty;
- (b) no person should be treated as convicted by reason of this referral;
- (c) all persons remain entitled to the constitutional presumption of innocence;
- (d) criminal guilt must be established in accordance with law before a competent criminal court;
- (e) disciplinary liability is distinct from criminal liability; and
- (f) the decision whether to prosecute remains with the constitutionally competent prosecutorial authorities.

13.2

The request for precautionary suspension or exclusion is therefore not punitive. It is based upon the institutional risk presented by continued access to evidence, witnesses, financial systems, procurement processes, classified information and State property.

13.3

The Commission is not asked to determine guilt. It is asked to ensure that credible evidence of potentially serious criminality is placed before the institutions constitutionally empowered to investigate and prosecute it.



14. EVIDENCE PRESERVATION AND FORENSIC SECURITY

14.1

The Commission is respectfully requested to direct or facilitate immediate preservation of all potentially relevant evidence.

14.2

This should include:

- (a) the complete DBSA project file;
- (b) all payment certificates;
- (c) all invoices;
- (d) all Financial Authorisations;
- (e) electronic approval trails;
- (f) emails;
- (g) system audit logs;
- (h) procurement files;
- (i) tender and deviation documentation;
- (j) delegations of authority;
- (k) project-management records;
- (l) site inspection reports;
- (m) photographs and videos;
- (n) contractor submissions;



(o) retention records;

☐ (p) correspondence concerning non-performance;

(q) records concerning Moke Construction;

(r) recovery correspondence;

(s) disciplinary records;

(t) Inspector General investigation material; and

(u) all relevant classified or restricted material, subject to lawful handling and security requirements.

14.3

In particular, the following should be secured immediately:

MC-SADIC-DOC-13: Financial Authorisation allegedly created by "Mr Luke from DI".

MC-SADIC-DOC-17: Documents submitted by Mothapo Construction and allegedly relied upon as proof of progress or performance.

14.4

The authenticity, provenance, metadata and integrity of these documents should be preserved before any further handling or alteration occurs.

15. IDENTIFICATION OF ALL RELEVANT PERSONS

15.1

The investigation should establish the complete chain of responsibility from procurement initiation through payment, project verification and subsequent recovery.



15.2

☐ This should include, without prejudging liability:

(a) **Maj. Gen. M.J. Ledwaba;**

(b) **Mr Chuene Ramphela of DBSA;**

(c) **"Mr Luke from DI" an invisible who issued the Financial Authorisation for R65.87 million;**

(d) **Lt. Col. Krige van Heerden;**

(e) **Maj. Gen. D. Nyangasya;**

(f) **Ms Hazel Ratombo;**

(g) **All responsible representatives and directors of Mothapo Construction;**

(h) **Maj. Gen. S.D. Malakoane;**

(i) **any officials responsible for project verification;**

(j) **any officials responsible for payment certification;**

(k) **any officials responsible for recovery action; and**

(l) **any other person identified by the evidence.**

15.3

Inclusion of a person's name in this investigative list does **not** constitute an allegation that the person committed an offence.



15.4

The purpose is to ensure that every relevant actor is properly identified and that no potentially material witness or suspect is omitted from the criminal investigation.

16. BROADER INSTITUTIONAL GOVERNANCE AND SYSTEMIC CONCERNS

16.1

President Ramaphosa's description of the Madlanga Commission's referral powers is relevant insofar as clause 10.4 provides for "**immediate decisions on prosecution and criminal investigation**", while **clause 12 contemplates referral for prosecution** or further investigation to the appropriate authority.

16.2

The Madlanga Commission may accordingly consider whether evidence arising from this matter reveals broader institutional governance, procurement, financial-control or accountability failures falling within its mandate.

17. SPECIFIC REFERRAL AND RELIEF REQUESTED

The Pan-African Peace Commission respectfully requests that the Commission:

A. Accept and formally record this Formal Referral and Evidential Record together with its exhibits

B. Make an immediate criminal referral:

Refer this complete evidential Record to the appropriate criminal-investigative authority, including the Directorate for Priority Crime Investigation where jurisdictionally appropriate,



and simultaneously place the matter before the NPA for urgent prosecutorial determination.

☐ **C. Request an urgent prosecutorial determination**

Request the competent prosecutor to determine, independently and in accordance with section 179 of the Constitution and applicable prosecution policy, whether:

- (i) charges should immediately be instituted;
- (ii) specific targeted investigation should precede charging; or
- (iii) further investigation is required before a prosecutorial determination.

D. Secure the evidence:

Ensure immediate preservation of the financial, procurement, electronic, documentary and testimonial evidence identified in this **Formal Referral and Evidential Record**.

E. Identify "Mr Luke from DI"

Urgently establish the identity and role of the person referred to as "Mr Luke from DI", including thorough examination of relevant financial-system records, audit trails, access logs, electronic correspondence and personnel records.

F. Investigate the financial trail

Trace the complete movement of the approximately **R46.5 million** from initial authorisation through **DBSA** and onward payments.

G. Investigate documentary authenticity

Subject relevant documents to forensic examination and determine their authorship,



provenance, authenticity, integrity and purpose.

H. Investigate procurement

Determine the legal basis for the procurement departure and whether any person unlawfully influenced, manipulated or otherwise compromised the procurement process.

I. Precautionary suspension or exclusion

Directly or through the competent employing authorities, urgently determine **precautionary suspension or equivalent exclusion from relevant duties** of all serving officials whose continued presence or access could reasonably prejudice the investigation, subject to the applicable employment regime.

J. Refer the financial-loss component to the Special Investigating Unit where the statutory jurisdiction and requisite proclamation or other authority exist, for consideration of civil recovery and asset-preservation proceedings.

K. Auditor-General intervention

Refer relevant financial-management and procurement matters to the Auditor-General of South Africa where they fall within its statutory mandate.

L. Consider wider institutional evidence

Consider whether evidence concerning broader institutional governance failures is relevant to the Commission's mandate.

18. CONCLUSION

18.1



○ The present matter concerns substantial public expenditure within an institution connected with Defence Intelligence. The evidential material is not confined to untested allegations; it includes an official Inspector General anti-corruption investigation, financial records, procurement material, identified transactions, identified decision-makers, alleged irregular documentation and a substantial potential financial loss.

18.2

The evidence presently available is sufficiently concrete to warrant immediate prosecution and criminal referral.

18.3

The matter is therefore ripe for an urgent independent prosecutorial determination, even though further targeted investigation remains necessary.

18.4

Further investigation should now occur within the criminal-justice process.

18.5

The competent authorities should therefore:

Suspend, refer; preserve; investigate; identify; charge where warranted; prosecute where the applicable threshold is met; and recover public assets where legally possible.

18.6

The ultimate determination of guilt belongs to a competent criminal court. The decision to



prosecute belongs to the NPA. The responsibility to investigate and preserve evidence belongs to the competent law-enforcement authorities.

18.7

The decision to refer a matter urgently where the evidence warrants it is within the Commission's stated mandate.

18.8

The evidential material has reached the point at which continued administrative delay should not substitute for the lawful operation of the criminal-justice process.

19. URGENT NOTICE: 72-HOUR DEMAND FOR PRECAUTIONARY SUSPENSION AND PRESERVATION OF EVIDENCE

The Pan-African Peace Commission hereby respectfully calls upon the Madlanga Commission, upon delivery of this **Formal Referral and Evidential Record**, to take urgent and appropriate measures within **72 hours**, including the precautionary suspension or equivalent lawful exclusion of the persons identified herein and the immediate protection and preservation of all relevant documentary, electronic, financial, procurement and other evidential material.

The purpose of this request is strictly precautionary and is intended to preserve the integrity of any ensuing criminal, disciplinary or other lawful investigation. It is not advanced as a finding of guilt against any person identified in this Formal Referral and Evidential Record.

The 72-hour period is afforded to enable the Madlanga Commission to consider and act upon the request for urgent protective measures. Should no adequate protective measures be implemented within that period, the Pan-African Peace Commission reserves its right, to



place this Formal Referral and Evidential Record in the public domain and to refer the matter to the relevant investigative, prosecutorial, oversight and other competent authorities.

The Commission is respectfully placed on notice that delay in implementing appropriate evidence-preservation measures may materially increase the risk of interference with witnesses, alteration or destruction of documentary or electronic evidence, manipulation of financial or procurement records, or other conduct capable of compromising the integrity of the investigation. The request for immediate precautionary measures is made precisely to mitigate those risks.

The Pan-African Peace Commission accordingly urges the Madlanga Commission to treat this matter as one requiring **immediate protective intervention**, rather than permitting delay to compromise evidence or prejudice the administration of justice.

Failure to take appropriate protective measures within the stated period will be documented and relied upon in any subsequent referral or public-interest disclosure, together with the circumstances known at that time concerning the preservation or non-preservation of potentially relevant evidence.

EXHIBITS

Exhibit A: Inspector General Investigation Report - DEF INSP DIV/C/501/16/5/1/4 -
19 March 2026

Exhibit B: Executive Summary - R65 million transaction: **Where did the balance go?**

Exhibit C: Pan-African Peace Commission Forensic Analysis

Exhibit D: Cross Examination Questions for the Prosecutor



Exhibit E: Witness Preparation Document concerning Lt. Col. W.J. Strydom

Exhibit F: Draft letter for DoD to DBSA for the recovery of R46 million plus.

Exhibit G: Forensic Financial Reconstruction framework

Exhibit H: Peace Commission Letter: to Head of the SANDF 3 February 2026

Exhibit I: Peace Commission Letter: to Minister of Defence 16 February 2026

Exhibit J: Peace Commission Letter: to the Presidency 25 July 2026

Exhibit K: Peace Commission Letter: DCPI reporting of s34 Precca. 22 August 2026

Exhibit L: Peace Commission Letter: to the Auditor General of SA 14 August 2026

I've provided an Executive Summary, a Forensic Analysis, a Forensic Financial Reconstruction Framework, assisted the Prosecutor by providing 29 pages of cross-examination questions, 9 pages of witness questions, reported the matter to the Hawks s34 Precca, outlining a simple path to follow for prosecution, notified the Auditor General, to further assist the DoD provided a draft for the DoD to place on their letterhead demanding DBSA return funds, all at no cost to the tax-payer.

Exhibits H to L raises concerns that, if left unaddressed, continued financial and institutional deterioration could place the SANDF on a trajectory towards severe operational degradation.

Accordingly, the matter should be treated not merely as a financial-recovery or governance issue, but as one having potential implications for South Africa's national security.

The Peace Commission notes that on 3rd June 2026, General Bantu Holomisa MP publicly called upon the Portfolio Committee on Defence and the Minister of Defence to establish an independent task team to provide independent audit oversight of governance failures and



accountability challenges within the Department of Defence.

○ The matters raised by General Holomisa appear to intersect materially with the systemic governance deficiencies, procurement irregularities and accountability failures disclosed in this Record of Court. In the interests of a comprehensive investigation, the Madlanga Commission is respectfully requested to consider inviting General Holomisa to provide evidence before the Honourable Justice Madlanga concerning the broader institutional governance failures within the South African National Defence Force and the Department of Defence, insofar as such evidence may assist the Madlanga Commission in determining whether the conduct disclosed in this Record of Court forms part of a wider pattern of maladministration or corrupt activity within the South African National Defence Force and related public institutions.

In light of a whistle-blower's disclosure that this **R65 million** matter is merely the "**tip of the iceberg**", together with a 2021 Forensic Report addressed to Maj. Gen. Buhali, of further alleged misappropriation subsequently placed before the Peace Commission relative to a **R3.99 million misappropriations at the Defence Catering School**, the concern can no longer reasonably be dismissed as an isolated incident. Conflated, these matters - and any further evidence that may emerge – may well demonstrate a broader pattern of racketeering within the South African National Defence Force (**SANDF**).

What is perhaps even more troubling is the apparent failure, across the institutional chain, to investigate, prosecute and hold accountable those responsible. When allegations of this magnitude can be raised, supplemented by further disclosures, yet appear to encounter little meaningful investigative or prosecutorial consequence, the institutional message is difficult to misunderstand: accountability has apparently gone **AWOL**.



This is not merely a question of financial misappropriations. It raises a far more serious constitutional and **South Africa's National Security** concern. The failure of the **SANDF**, law-enforcement agencies and, where applicable, the judicial system to respond effectively risks becoming an evidential admission of institutional failure - namely, that South Africa is lawless and, rather ironically for the **SANDF** - a defenceless nation.

The Peace Commission has since 2025 therefore demanded meaningful civilian control and oversight of the **SANDF**.

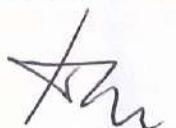
ASSURANCE

To the Commander in Chief, HE Cyril Ramaphosa and every South African reading this, as Chairman of the Civilian Control Oversight, I will ensure milestones will be achieved by:

- 1: **Arresting the Decline** in Defence Force capabilities, stabilising and preventing matters from further escalating deterioration and;
- 2: **Rebalancing and re-organising the Defence Force** so that it becomes **a foundation for future economic growth**.

The apparent depth of institutional failure, declining capability, weak accountability, and persistent governance deficiencies requires a decisive institutional reset.

The **SANDF** requires a breath of fresh air: an independent, accountable, transparent, honest, and meritocratic civilian oversight mechanism capable of exercising effective control without becoming an instrument for political patronage, personal enrichment, or institutional capture. The primary purpose of oversight will be public service and measurable outcomes, rather than the protection of vested interests or the continued enrichment of individuals.



The South African National Defence Force exists to defend the nation. It should not require the nation to defend itself from the South African National Defence Force. Yet, on the evidence and allegations presently before the Peace Commission, that is increasingly difficult to characterise as anything other than the status quo.

Sincerely,



Henry William McCarter
Chairman



Restoration of Justice is our duty. Truth is our guide. Perpetual Peace and Prosperity for all is our mission.

Executive Council:

Dr. Henry McCarter LLD Hon. (Chairman), HRM Makikele II (Vice-Chairman), HRM Mervyn Dunn, P.M. Dingizwe Manyaka, Lt. Cmdr. Sylvester Mangolele, Nkosi Thulasizwe Ngcobo, Dr. Paolo Brogneri, Dr. Faiez Kirsten, Mrs. Michelle Tovey, Mr. Jannie Meyer, Mr. Ronald Plaatjies, Mr. Phakamani Dlamini, Mr. Cobus Pieterse, HRH Nolubabalo Mcinga, Dr. Grant Satram, Dr. Melanie Wepenaar, Mr. Malungelo Mgolombane, Mr. Godfrey Ngalo, HRM Queen Mashanini, Mr. Denzil Usher, Mr. John Schoemann: (Lead Researcher), Dr. E.K. Gordon-Dudu: (Constitutional Guardian):

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Inspector-General of Intelligence:

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Portfolio Committee on Defence:

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Madlanga Commission:

The Minister of Justice:

The Speaker of Parliament:

Public Protector of South Africa:

Auditor-General of South Africa:

Directorate for Priority Crime Investigation:

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Revelation 18.4



The Pan-African Peace Commission

22nd August 2026



*Received by
the representative
of the AGSA - D/SR
Mabikela*

To:

The Honourable Justice Mbuyiseli Madlanga
Chairperson

Judicial Commission of Inquiry into Criminality, Corruption and Grand Fraud
MADLANGA COMMISSION

**PROSECUTORIAL DETERMINATION, EVIDENCE PRESERVATION, CRIMINAL
REFERRAL, AND PRECAUTIONARY SUSPENSION OF PERSONS IMPLICATED IN
THE SADIC KOEPEL CONFERENCE FACILITY PROJECT**

Inspector General Report: Case Reference CAS0 03/10/2024

Inspector General Investigation Reference: DEF INSP DIV/C/501/16/5/1/4

Reference: MC-SUB-SADIC-2025-001

1. INTRODUCTION AND PURPOSE OF THIS FORMAL EVIDENTIAL REFERRAL

1.1

The Pan-African Peace Commission respectfully places before the Judicial Commission of Inquiry this **Formal Referral and Evidential Record** concerning suspected fraud, corruption, procurement irregularities, financial-control failures, maladministration and the misappropriation and/or unlawful expenditure of public funds in connection with the Koepel Conference Facility upgrade project at the South African Defence Intelligence College ("SADIC").

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Exhibit A



defence inspectorate division

Department:
Defence
REPUBLIC OF SOUTH AFRICA

DEF INSP DIV/C/501/16/5/1/4

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Defence Inspectorate Division
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Pretoria
0001

19 March 2026

**INSPECTOR GENERAL INVESTIGATION REPORT INTO THE ALLEGED
FRAUD/CORRUPTION OR MISAPPROPRIATION OF FUNDS AT THE SOUTH AFRICAN
DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024**

- Reference A: Public Finance Management Act (PFMA), 1999 – Section 38, 45 and 76 (responsibility to prevent irregular and wasteful expenditure).
Reference B: Treasury Regulations – pertaining to contract management, oversight, and reporting.
Reference C: Construction Industry Development Board (CIDB) Regulations.
Reference D: Supply Chain Management Framework.
Reference E: Reference G: 2.1. Constitution of the republic of South Africa, 1996.S 217 (1)

- Appendix A: The Koepel Project presentation document.
Appendix B: Project execution plan prepared by DBSA
Appendix C: Consultant site handover meeting held on 29 August 2018
Appendix D: MoA agreement between DOD and DBSA.
Appendix E: Minutes of co-ordination meeting 2 at DPW office dd 27 November 2019 wrt upgrading of infrastructure at SADIC
Appendix F: Addendum to the MOA dd 21 March 2021
Appendix G: Coordinating Meeting 2 at DPW dd 07 November 2019
Appendix H: Coordinating meeting 3 at DPW dd 27 November 2019
Appendix I: Upgrade of Koepel Conference Facility dd 09 September 2020
Appendix J: Upgrade of Koepel Conference Facility at SADIC dd 21 September 2020
Appendix K: Trench request: upgrading of the SADIC facility dd 13 October 2021
Appendix L: Confirmation notes project: WCS 055057 dd 22 February 2022
Appendix M: Project WCS 055057: Upgrading of infrastructure dd 26 October 2023
Appendix N: DOD project: RFP265/2020 and RFP045/2022 dd 16 November 2023
Appendix O: Termination of contract for Mothapo Construction dd 05 July 2024
Appendix P: DOD project: RFP265/2020 and RRFP045/2022 July 2024
Appendix Q: Appointment of Moke Construction dd 07 November 2024



Lefapha la Boiphemelo. Umnyango wezokuVikela. Kgoro ya Tshireletso. iSebe
lezoKhuselo. Department of Defence. Muhasho wa Tsireledzo. UmNyango
WezokuVikela. Ndzawulo swa Vusireheleri. Lehapha la Tshireletso. Departement van



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INVESTIGATION REPORT
DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

SITUATION

1. The Department of Defence (DOD) entered into a Memorandum of Agreement with the Development Bank of Southern Africa (DBSA) for the facilitation and management of infrastructure development projects at South African Defence Intelligence College (SADIC) facilities.
2. In terms of the arrangement:
 - a. DBSA was responsible for project implementation and financial disbursement, including contractor appointment and payment administration.
 - b. Contractors were appointed to execute infrastructure works at designated DOD facilities.
 - c. Funds for these projects were transferred to DBSA for management and payment to contractors.
3. Evidence indicates that approximately R46 million was transferred to DBSA for infrastructure work executed by Mothapo Construction.
4. However, despite contractual provisions requiring completion and verification before final payment, the contractors were paid in full even though the project was not completed.
5. Paragraph 11.1.2 – Table 1. **DBSA Management and Claim Structure**. S6 Close-Out of the project documentation on the MOA provides that the remaining 10% of the contract value should only be paid upon completion of the project and submission of a close-out report. This provision have not been followed.
6. A replacement contractor has since been appointed to complete the outstanding work.

AIM

7. The aim is to determine whether there was negligence or misconduct in handling the project at SADIC, and to determine whether DBSA complied with the MOA and contract management.

SCOPE OF THE INVESTIGATION

8. The following matters will be discussed in this report:
 - a. Investigation approach.
 - b. Sequence of events.
 - c. Findings.
 - d. Legal and financial implications.
 - e. Recommendations.
 - f. Conclusion.

REF ID: A65577
Produced in terms of the Promotion of Access to Information Act
DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

INVESTIGATION APPROACH

9. The investigators obtained, reviewed, analysed the following documents:
 - a. SADIC Koepel Project presentation.
10. More documents to be obtained, reviewed and analysed; and interviews with relevant stakeholders is still to be conducted.
11. Site visit was conducted to establish the progress made.
12. Legal and Regulatory Framework that govern public procurement, financial management, and contractor accountability in this matter was analysed

SEQUENCE OF EVENTS

Analysis of documents

13. The Constitution of the Republic of South Africa, 1996 was analysed and the following was noted:
 - a. Section 217(1) of the Constitution provides that when an organ of state contracts for goods or services, it must do so in accordance with a system that is:
 - i. Fair.
 - ii. Equitable.
 - iii. Transparent.
 - iv. Competitive.
 - v. Cost-effective.
 - b. Even where an implementing agent such as DBSA manages procurement, the DOD remains constitutionally obligated to ensure compliance with these principles.
 - c. Failure to ensure proper performance monitoring and payment verification may constitute a breach of constitutional procurement principles.

DISPATCH GENERAL INVESTIGATION REPORT 2020 THE 12 PAGE
RECOMMENDATION ON MISAPPROPRIATION OF FUNDS IN THE PUBLIC FINANCE
DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

14. The Public Finance Management Act (PFMA), Act 1 of 1999 was analysed and the following was noted:

- a. The PFMA governs financial management within national departments and public entities. Relevant provisions include:
 - i. Section 38(1) (c) (ii). Accounting officers must take effective and appropriate steps to prevent irregular expenditure and fruitless and wasteful expenditure.
 - ii. Section 38(1) (g). Irregular, fruitless or wasteful expenditure must be reported to National Treasury and the Auditor-General.
 - iii. Section 45(b) and (c). Officials responsible for financial management must:
 - (1) Safeguard public funds.
 - (2) Prevent misuse or loss of government resources.
 - iv. Paying contractors in full despite incomplete work may fall within the definition of fruitless and wasteful expenditure under the PFMA.

15. The Treasury Regulations was analysed and the following was noted:

- a. Treasury Regulation 8.1. States that accounting officers must maintain effective systems for financial management, risk management, and internal control.
- b. Treasury Regulation 16A. Requires that:
 - i. Proper procurement processes.
 - ii. Contract performance monitoring.
 - iii. Verification of deliverables prior to payment.
- c. Failure to enforce retention provisions or milestone payments may indicate non-compliance with these regulations.

16. The Construction Industry Development Board Act (CIDB), Act 38 of 2000 was analysed and the following was noted:

- a. The Construction Industry Development Board (CIDB) regulates contractors operating in the public construction sector.
 - i. Possible actions include:
 - (1) Contractor performance review.
 - (2) Contractor grading suspension.
 - (3) Blacklisting from future public sector projects

INVESTIGATION REPORT: INVESTIGATION INTO THE PREVENTION AND COMBATING OF CORRUPT ACTIVITIES ACT (PRECCA) ON THE IMPACT OF THE ACT ON THE DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

- ii. If the contractors failed to perform contractual obligations, they may face disciplinary measures under CIDB regulations.

17. The Prevention and Combating of Corrupt Activities Act, Act 12 of 2004 was analysed and the following was noted:

- a. The Prevention and Combating of Corrupt Activities Act (PRECCA) criminalises corruption and improper influence in public procurement.
- b. If payments were made improperly or without proper verification, and especially if any official benefited or knowingly allowed the payment, the matter may constitute:
 - i. Corruption.
 - ii. Fraud.
 - iii. Abuse of public office.
- c. Such matters must be reported to the Directorate for Priority Crime Investigation (Hawks).

18. The Public Audit Act, Act 25 of 2004 was analysed and the following was noted:

- a. Under amendments to the Public Audit Act, the Auditor-General of South Africa can investigate material irregularities involving:
 - i. Financial loss.
 - ii. Misuse of public resources.
 - iii. Non-compliance with legislation.
- b. If confirmed, the Auditor-General may issue binding remedial action and recovery directives.

19. The Common Law Contract Principles was analysed and the following was noted:

- a. Under South African contract law it states that a contractor who fails to perform contractual obligations commits breach of contract.
 - i. The client (or implementing agent) may:
 - ii. Cancel the contract.
 - iii. Claim damages.
 - iv. Recover payments made for incomplete work.
- b. The retention clause requiring the final 10% payment after completion is a standard mechanism to protect against non-performance.
- c. Failure to enforce this clause may result in negligence in contract management.

DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

Analysis of documents

20. The Koepel Project presentation document presented to 85340362PE Col C. Mostert by 94702156PE Col C.W. Alexander was analysed and the following was noted:

- a. The appointment of a new contractor was still to be finalised.
- b. Additional funds (RM7.5) have been provided by C Log to finalise the sewer-line which has been claimed to be dilapidated.
- c. 25 x Keys were received on 16 September 2024, 6 x single old keys were not functional and 6 sets of three keys each.

21. A copy of the project execution plan prepared by DBSA was analysed and the following was noted:

- a. The upgrading included amongst others, the removal of the asbestos within the facility, fixing of the walls, installation of new windows, installation of new flooring, installation of air conditioners, electrification of the facility, installation of the security system, parking, and upgrading the main entrance access road.
- b. The total estimated cost for the project was R65 871 238, 13.

22. A copy of the consultant site handover meeting held on 29 August 2018 at SADIC was analysed and the following was noted:

- a. The contract number for the project managed by DPW is B18016/H17/0229/SADIC_DPW
- b. The scope of work was broken down into roads, boundary wall, main gate and Hall (Kopel Building).
- c. The appointed engineer was to ensure that:
 - i. 6,0m width for all the roads except at the circle were maintained. The total length of the road was 2,7km.
 - ii. The boundary wall is approximately 600m long and be 2,0m in height.
 - iii. Main gate has an installed boom or stop sign and the road at the entrance be increased in width.
 - iv. The existing service gate was to be upgraded to have electric access.

DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

23. A copy of the memorandum of agreement between DoD and DBSA dd 01 August 2019 was analysed and the following was noted:

- a. The building programme was for the financial year 2019/20, 2020/21, 2021/22 and included building and maintenance of projects allocated to DoD by DBSA.
- b. The DoD was responsible for the Project management Office (PMO) with cost.
- c. The DoD was to transfer the approved programme budgets in tranches based on the Implementation Agent (i.e. DBSA) submitted and approved cash flows per financial year.
- d. The MOA was valid till 30 January 2022.
- e. **Section 13.4. Programme Financial Management.** DBSA shall only incur expenditure or make payments for work actually done by contractors and consultants appointed by DBSA, for costs actually incurred and for the management and administration of the programme.
- f. DBSA was prohibited from making any media statement whether written or verbal regarding the programme or any project without obtaining approval from the DoD.

24. A copy of the co-ordination meeting 2 at DPW office dd 27 November 2019 wrt upgrading of infrastructure at SADIC was analysed and the following was noted:

- a. Mr Managa confirmed that there were no As-Buits available for Koepel Building. He further requested that the quotation submitted by RMA should be reviewed.
- b. Natho Mbenyane Engineers (NME) was required to submit quotes iro DPW for the quantity surveyors as sub-consultants.

25. A letter dd 09 September 2020 with file reference DWF/R/401/1 regarding the upgrade of Koepel Conference facility at SADIC was analysed and the following was noted:

- a. It was indicated that the Minister of Defence intends to make use of the Koepel Conference Facility more often hence, it was recommended that it should be renovated.
- b. Col L.C. Kekana, in his capacity as Acting Director Operations made remarks that due to the urgency of the matter it was recommended DBSA be appointed. Maj Gen M.J. Ledwaba approved without making any remarks.

26. On 21 September 2020, the Group Executive Infrastructure Delivery Division from DBSA wrote an acknowledgement letter to Maj Gen M.J. Ledwaba acknowledging receipt of the DoD's urgent allocation wrt upgrade of Koepel Conference facility at SADIC. He (Mr C. Ramphele) made reference to an email from Lt Col Krige Van Heerden dated 09 September 2020 (authority to use DBSA as PM).

27. On 13 October 2021, DBSA requested that the amount of R46 523 815, 86 should be transferred into DBSA's bank account to enable payment of the appointed service provider.

DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

28. A copy of the co-ordination meeting 2 at DPW office dd 07 November 2019 wrt upgrading of infrastructure – phase 1 at SADIC was analysed and the following was noted:

- a. Raj Maharaj Architects (RMA), were appointed in July 2019 and the introductory meeting was conducted on 09 July 2019.
- b. RMA could not get the As-Built information and would be remunerated as per their quotation submitted to DPW for the re-measuring of the Koepel building.

29. A copy of the confirmatory notes project: WCS 055057: Heritage – SA Defence Intelligence College upgrading infrastructure dd 22 February 2022 was analysed and the following was noted:

- a. Department of Public Works and Infrastructure (DPWI) issued procurement instruction valid for 24 months on 11 January 2017. However, the project did not include Defence Work Formation.
- b. DPW appointed Ms Hazel Ratombo as project manager for the upgrading of Koepel facilities at SADIC.
- c. Around August 2021 it was discovered that there was dual consultant appointments made respectively by DPW as well as by DBSA. To address the problem a meeting was held between Ms Ratombo and NME and it was agreed that DPWI's consultant (NME) should only concentrate on roads and storm water as well as carports, whilst the scope of work for DBSA was reduced.

30. On 26 October 2023, Brig Gen J. Arends wrote a letter to DPW indicating that the 2x2m guard post situated at the main gate was excluded from the agreed scope of work and therefore DW Fmn approved the 2x2m guard post to be included as part of the scope of work.

31. On 16 November 2023, Maj Gen D. Nyangasya wrote a letter to Mr Ramphela of DBSA confirming that the project will be handed over on 12 April 2022 for a period of 11 months.

32. On 05 July 2024, DBSA sent a letter of termination of contract to Mothapo Consulting Engineers (the contractor) stating the fact that an investigation was conducted and revealed that Mothapo Consulting submitted forged documents as part of its evidence with Principal Agent during contract management. After that DBSA was to pursue a criminal and/or civil case against Mothapo Consulting.

33. In July 2024, Maj Gen S.D. Malakoane signed a letter indicating that the contract between DBSA and the initial appointed contractor was terminated on 11 July 2024.

34. On 04 November 2024, DBSA appointed Moke Construction and Projects to complete the upgrading of Koepel Conference at SADIC. The letter was addressed to Molapo Mothapo by Mr Chuene Ramphela – Group Executive – Infrastructure Delivery Division at DBSA and has no signature of any representative from Moke Construction and Projects.

35. A copy of the appointment letter for the new contractor dd 07 November 2024 was analysed and the following was noted:

- a. Moke Construction and Projects was appointed to complete the upgrading of the Koepel Conference Facility at SADIC.

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DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

- b. The value of the contract for Moke Construction is R12 175 904, 96

Interviews conducted

36. On 26 November 2024, 85340362PE Col C. Mostert was interviewed and he stated the following:

- a. He assumed duty as Officer Commanding (OC) for the South African Defence Intelligence College (SADIC) on 01 October 2024.
- b. When he took over as OC SADIC the only briefing he got from Col Alexander who was the predecessor of SADIC regarding the renovations at SADIC was a one-page presentation which he provided to the investigators. He is still waiting for Col Alexander to come and finalise the handing and taking over with him.
- c. He is actually not part of the project to renovate the SADIC Koepel Conference Facility. His role wrt the project is only to receive the contractors and to ensure that they do not go to restricted areas. Furthermore, he stated that the previous contractor (Mothapo Construction and Engineering) was appointed by Development Bank Southern Africa (DBSA).
- d. He knows that the purpose of the project was to upgrade the following areas at SADIC:
 - i. Drainage system.
 - ii. Koepel Conference Facility.
 - iii. Ablution fittings.
 - iv. Electrical fittings.
 - v. Develop an entertainment area next to Koepel.
- e. DoD pays monies into DBSA's bank account and DBSA is the one that makes payments to the contractor.
- f. He knows that the project was initiated a few years ago and that RM49 was allocated for the renovations. Furthermore, he stated that C Log has allocated RM7.5 for the upgrading of the sewer-line which was found to be dilapidated.
- g. To date RM36 was paid to Mothapo Construction and Engineering, and RM13 is the amount outstanding to finalise the project.
- h. He knows that a new contractor known as Moke Construction has been appointed by the Department of Public Works (DPW) to complete the outstanding work. However, he did not form part of the appointment of Moke Construction.
- i. Moke Construction has about 3 to 5 months to complete the renovations.
- j. There was a site meeting on 21 November 2024, whereby members from DBSA, Defence Works Formation (DW Fmn), SMN Projects as well as SADIC met

DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

together with the newly appointed contractor. He provided a copy of the attendance register to the investigators.

- k. 94202736PE Col D.Z. Prins and 89399257PE Lt Col W.J. Strydom are the members who can provide more information wrt the progress for the renovations at SADIC.

37. On 23 January 2025, 89399257PE Lt Col W.J. Strydom was interviewed in person, and he stated the following:

- a. He was appointed as SO1 Quantity Surveying at Defence Works Formation in December 2018. However, He is utilised in a Civil Engineering due to his qualifications in civil engineering and he is not only doing civil engineering but also serves as a project manager on DBSA projects. He worked on 1 Military Hospital project together with Lt Col Van Heerden (Rt)
- b. On 01 July 2019, the DoD and DBSA signed a Memorandum of Agreement (MOA), and there was an addendum to the MOA signed around March/April 2021.
- c. The reason behind the MOA with DBSA is that previously the DoD had an MOA with Department Public Works and the DoD was not satisfied with the progress on projects.
- d. Project Koepel at SADIC was registered with DPW between 2016 and 2017 and there were lot of complaints from the DoD regarding progress made. There was no proper scope of work, and no DoD member was involved and DPW was expected to finish with the project by 01 January 2019.
- e. Nathoo Mbenyane Consulting Engineer was appointed by DPW for roads and storm water at SADIC.
- f. DoD paid monies directly into DBSA account for the project at SADIC, Mr Luke from DI creates the FA.
- g. The contract with reference number for Koepel project is RFP265/2020 and the value of the contract is 43, 7 million.
- h. To date RM46 has been transferred to DBSA for partial work done by SML Construction and Mothapo Construction. SML Construction has been paid RM2.6 for drawings whilst Mothapo Construction was paid RM29.
- i. Mothapo construction did not pay its employees for a particular period of time and that led to its employees not performing. Eventually Mothapo construction was stopped from continuing with the project.
- j. Ms Ratombo claimed that there were drawings made.

DEFENDANT GENERAL INVESTIGATIVE REPORT 1974-1975
FRAUDULENTATION ON MISAPPROPRIATION OF FUNDS AT THE COLLEGE OF
DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

FINDINGS

38. In light of the above the investigator finds as follows:

- a. Approximately R46 million was transferred to DBSA for project implementation.
- b. Mothapo Construction received payments despite incomplete work.
- c. Paragraph 11.1.2 – Table 1. **DBSA Management and Claim Structure**. S6 Close-Out of the project documentation on the MOA provides that the remaining 10% of the contract value should only be paid upon completion of the project and submission of a close-out report. This 10% retention clause (Paragraph 11.1.2) was not respected.
- d. Section 13.4. **Programme Financial Management** of the MOA between DBSA and DOD clearly stipulated DBSA shall only incur expenditure or make payments for work actually done by contractors and consultants appointed by DBSA, for costs actually incurred and for the management and administration of the programme. However, payments were made in full to the contractor.
- e. DBSA released payments without verifying deliverables, and this constitutes the following:
 - i. Administrative negligence.
 - ii. Failure of fiduciary duty.
 - iii. Improper financial oversight.
- f. There are elements of potential negligence or mismanagement by DBSA by failing to verify deliverables.
- g. Mothapo Construction have committed material breach of contract by:
 - h. Failing to complete the scope of work.
 - ii. Receiving payment without fulfilling contractual obligations.
- i. A new contractor has been appointed to complete the project, potentially resulting in additional financial cost to the state.

**SUSPECTED FRAUD INVESTIGATION REPORT: DOD AND DBSA
RECOVERED FUNDS ON MISAPPROPRIATION OF FUNDS AT THE SOUTH AFRICAN
DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024**

LEGAL AND FINANCIAL IMPLICATIONS

39. Under the PFMA, the payment may qualify as fruitless and wasteful expenditure, defined as expenditure that:

- a. "Was made in vain and would have been avoided had reasonable care been exercised."
- b. Breach of Contract. The contractor has committed material breach of contract by:
 - i. Failing to complete the scope of works.
 - ii. Receiving payment without fulfilling contractual obligations.
- c. Potential Negligence or Mismanagement. DBSA released funds without verifying deliverables, this constitutes:
 - i. Administrative negligence.
 - ii. Failure of fiduciary duty.
 - iii. Improper financial oversight.

RECOMMENDATIONS

40. In light of the above the investigator recommends the following:

- a. The matter should be reported to Auditor General South Africa (AGSA), Special Investigating Unit (SIU), Directorate for Priority Crime Investigation (Hawks), and National Treasury for further investigation and recovery proceedings.
- b. DOD must engage with DBSA to request recovery of funds paid to the foiled contractor.
- c. Institute civil action or claim against the original contractor and/or DBSA due to negligence and breach of contractual obligations.
- d. Internal contract management controls should be strengthened to prevent recurrence. Project management and oversight over third-party funding and implementation mechanisms must be enhanced.
- e. DOD must ensure that all future payments are linked to measurable milestones and deliverables.
- f. The MOA between DOD and DBSA should be reviewed and lines of accountability, dispute resolution mechanisms should be clarified.
- g. Mothapo Construction should be blacklisted from doing business with the state.

INVESTIGATIVE REPORT INTO THE ALLEGED
 FRAUD/SCAM/PIRACY OR MISAPPROPRIATION OF FUNDS AT THE SOUTH AFRICAN
 DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

CONCLUSION

41. After reviewing all the available information, the investigators concluded that:

- a. The payment was made to the contractor prior to project completion, contrary to standard management practices. The payment of contractors in full despite incomplete work represents a significant governance failure in the management of public funds. The failure to enforce contractual safeguards such as the 10% retention provision suggests weaknesses in project oversight and financial controls.
- b. DBSA contravened Section 13.4. **Programme Financial Management** of the MOA between DOD and DBSA.
- c. The original contractor failed to deliver services despite being fully paid.
- d. No clear recovery actions against the defaulting contractor have been initiated.
- e. No formal justification provided from standard SCM procedures or milestone-based payments.
- f. Payments made to Mothapo Construction is non-compliant with the MOA terms between DoD and DBSA.
- g. The DOD is responsible for ensuring deliverables under the MOA are met, even when DBSA is acting on behalf of the DOD.
- h. Oversight and contract management processes have failed.
- i. Immediate legal, administrative, and investigative measures are necessary to:
 - i. Under the PFMA and Treasury Regulations. Possible Material Irregularity. The situation qualifies as a material irregularity under the Public Audit Act due to:
 - ii. Financial loss to the state.
 - iii. Failure to comply with procurement legislation.

REMARKS BY DIRECTOR ANTI-CORRUPTION AND ANTI-FRAUD

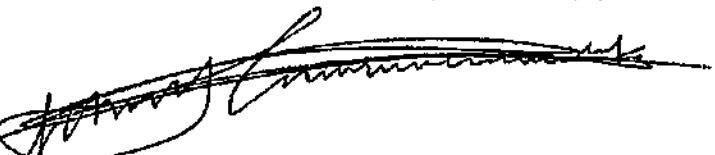
THE RECOMMENDATIONS SHOULD BE IMPLEMENTED AND CONSEQUENCE
MANAGEMENT BE INSTITUTED ACCORDINGLY.

S. KHUMALO
 (S. KHUMALO)
 DIRECTOR ANTI CORRUPTION AND ANTI FRAUD: R ADM (JG)

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DEFENCE INTELLIGENCE COLLEGE (SADIC): CASO 03/10/2024

REMARKS BY INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENCE

*This should be further investigated as there
are irregularities that took place.*



(W.M. MAZIBUKO)

INSPECTOR GENERAL DEPARTMENT OF DEFENCE: MAJ GENERAL

DISTR

For Action

C SAND
DM Pros

For info

CDI

Internal

File: Def INSP DIV/C/501/16/5/1/4

SADIC Koepel Project — Grand Fraud, Corruption & Misappropriation of Public Funds

IG Report DEF INSP DIV/C/501/16/5/1/4 · 19 March 2026
 Case: CAS0 03/10/2024 · Submission: PC-SADIC-MASTER-2025-001

MINIMUM STATE LOSS

R58 million+

R46.5m transferred
 R12.17m replacement contractor

EXHIBIT B

WHAT THE IG REPORT FOUND		INEXPLICABLE INACTION	
Total transferred to DBSA	R46,523,815.86	Criminal referral to Hawks	Not made by DOD or DBSA?
Paid to Mothapo (range)	R29m – R36m	Civil recovery against Mothapo	None initiated?
Works actually completed	Materially incomplete, zero.	Irregular expenditure reported	Not to Treasury or AGSA?
10% retention withheld	No — paid full	Implicated officials suspended	None — all remain in post?
Documents submitted by Mothapo	Confirmed forged	PRECCA s34 mandatory report	Not filed by any authority?
Replacement contractor (Moke)	R12,175,904.96	Financial records preserved	Not formally secured?
IG formal conclusion	Material irregularity	"Mr Luke from DI" identified	Identity still unknown??
Internal controls breached	13 of 18 confirmed	Moke Construction contract	Unsigned by Moke??

SIX PRIMARY INTERNAL CONTROL FAILURES

Procurement bypass Maj Gen Ledwaba approved DBSA without competitive process or written justification — direct breach of Constitution s217(1)	No separation of duties DBSA appointed Mothapo, verified its own work, and released payment — three functions in one entity, no independent checks	Retention clause ignored MOA para 11.1.2 required 10% withheld until close-out. Mothapo paid in full. No close-out report ever produced
Dual project management DPW and DBSA both appointed \PMs simultaneously — accountability vacuum undiscovered for over two years	No deliverable verification Payments released without independent site inspection, enabling forged documents to succeed undetected	No recovery action taken Termination July 2024 without Hawks referral or civil claim — breach of PRECCA s34 mandatory reporting obligation

EVIDENCE AT RISK — WHY PREVENTIVE ACTION CANNOT WAIT

R29m–R46m unpreserved In Mothapo's hands since July 2024. No POCA s38 asset preservation order. Every day without one is recoverable money moving beyond reach.	Financial Authorisation at risk "Mr Luke from DI" created the R46m FA. Identity unknown. Document unpreserved. If alerted, it may be destroyed — removing the only paper trail connecting the transfer to a named individual.	10 officials remain in post All implicated parties at their desks with access to financial systems, project records and witnesses. Command pressure on junior SANDF officers is live and immediate.
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B1

THREE ACTIONS REQUIRED UPON REGISTRATION WITH THE MADLANGA COMMISSION

1	NDPP — POCA s38 asset preservation order against Mothapo (ex parte) · Within 1 hour of registration Forged documents confirmed. R29m–R46m received for incomplete works. No recovery proceedings. Directors at liberty for 13+ months since termination.
2	Hawks — covert identification of "Mr Luke from DI" and seizure of the R46m Financial Authorisation · Within 2 hours Lt Col Strydom's evidence (IG Report para 37(f)) is the only reference. One witness. One document. Must be secured before he is alerted.
3	Simultaneous suspension — Mr Ramphele (DBSA) and Maj Gen Ledwaba (DOD) before either is alerted · Within 2–4 hours Ramphele controls DBSA disbursement systems and all project records. Ledwaba holds command authority over key SANDF witnesses. SUSPENSION must precede notification.

PROSECUTORIAL THRESHOLD — NO DELAY WARRANTED

NDPP v Sijoyi Robert Mdhlovu [2024] ZASCA 85; 2024 (2) SACR 331 (SCA)

A prosecutor does not need a prima facie case before instituting prosecution. Outstanding investigative questions — including the identity of "Mr Luke from DI" — do not prevent an immediate prosecutorial assessment of already-evidenced matters: the forgery, the R29m–R46m paid for incomplete works, and the s217 procurement bypass.

SUSPENSION AUTHORITY — NO HEARING REQUIRED

Long v South African Breweries (Pty) Ltd [2019] ZACC 7; 2019 (5) BCLR 609 (CC)

Precautionary suspension is distinct from punitive suspension. No pre-suspension hearing is required where the purpose is genuinely protective of the integrity of an ongoing investigation. This directly supports the immediate execution of all Section A suspension steps in submission PC-SADIC-MASTER-2025-001.

PAN-AFRICAN PEACE COMMISSION'S

LEGAL AND FORENSIC RESPONSES TO THE INSPECTOR GENERALS' REPORT

EXHIBIT C

AUTHORISATIONS REVIEW

The questions:

1. What reference is made to "Koepel upgrading"?
2. When Col Kekana is mentioned, can they provide proof to support the statement that "the Minister wished using Koepel"?
3. Which budget was used to finance the project; "DI or C Log" (Dept Intelligence or Chief Logistics).
4. Who is the Financial Officer at DI, who transferred the money?
5. What was the reason that convinced them that the instruction to "transfer" was legitimate? Was any legally competent supporting documentation and authorisation received, and from whom; to validly approve the payment of funds?
6. Was the amount transferred, tied back to and or based upon a commercially based, independently originated, reviewed and approved supporting document? Did it tie back with the budget amounts authorised?

The full analytical record based on the Inspector General's investigation report into the SADIC Koepel Conference Facility upgrade.

Extracting verbatim references to:

- "Koepel upgrading" and its contextual framing
- Col Kekana's statement and any evidentiary basis for the Minister's alleged preference
- The DI vs C Log budget source
- The identity of the DI Financial Officer who executed the transfer
- The authorisation chain and supporting documentation (or lack thereof) for the payment instruction
- Whether the transfer amount was tied to an independently-originated, commercially-based supporting document and approved budget figures

This is precisely the kind of payment-authorisation chain analysis that cuts to the heart of PFMA ss 38–45 compliance, **and where the most serious personal liability typically resides.**

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ENQUIRY 1: What reference is made to "Koepel upgrading"?

The term appears across multiple documents and contexts throughout the report. The key references are:

Appendix level (p.1): Appendix E is titled "*Minutes of co-ordination meeting 2 at DPW office dd 27 November 2019 wrt upgrading of infrastructure at SADIC*", the earliest formal reference linking Koepel to an upgrading instruction.

Para 21 (p.6): The DBSA project execution plan describes the upgrading scope in detail: removal of asbestos, fixing walls, new windows, new flooring, air conditioners, electrification, security system, parking, and upgrading the main entrance access road. Total estimated cost: **R65 871 238.13**.

Para 24 (p.7): Co-ordination meeting 2 at DPW (27 Nov 2019) specifically addressed "*upgrading of infrastructure at SADIC*", at which it was confirmed there were no As-Built drawings available for the Koepel Building.

Para 25 (p.7): A letter dated 09 September 2020 (ref DWF/R/401/1) concerned "*the upgrade of Koepel Conference facility at SADIC*", **this is the pivotal letter discussed further under Enquiry 2.**

Para 29b (p.8): DPW appointed Ms Hazel Ratombo as project manager "*for the upgrading of Koepel facilities at SADIC.*"

Para 34 & 35a (p.8): Moke Construction was subsequently appointed "*to complete the upgrading of Koepel Conference at SADIC*" at R12 175 904.96.

Forensic note: The term "Koepel upgrading" is therefore not a single defined project instruction - it migrates across DPW, DOD, and DBSA jurisdictions, **which is itself a governance red flag.**

No single unified project mandate document is cited as the authorising origin.

ENQUIRY 2 : When Col Kekana is mentioned: can they provide proof that "the Minister wished using Koepel"?

Para 25 (p.7): the only reference to Col Kekana in the document:

"It was indicated that the Minister of Defence intends to make use of the Koepel Conference Facility more often hence, it was recommended that it should be renovated." (Para 25a)

"Col L.C. Kekana, in his capacity as Acting Director Operations made remarks that due to the urgency of the matter it was recommended DBSA be appointed. Maj Gen M.J. Ledwaba approved without making any remarks." (Para 25b)

Forensic and legal assessment : three critical failures:

① **The statement of Ministerial intent is unattributed.** Para 25a says it "was indicated", passive voice, no named source. There is no written Ministerial directive, no signed instruction, no formal Ministerial communication referenced as the source of this assertion. It is an oral claim recorded in a meeting letter.

② **Col Kekana does not himself claim to be the source of the Ministerial intent.** He makes a separate, operational recommendation: that DBSA be appointed due to urgency. The two are conflated in the paragraph but are legally distinct: one is alleged Ministerial intent; the other is Kekana's own operational recommendation.

③ **No corroborating document is cited.** The report references an email from Lt Col Krige Van Heerden dated 09 September 2020 (cited in para 26 as "authority to use DBSA as PM"), but this is an email conferring implementing agent authority, not evidence of the Minister's personal wish to use the Koepel facility.

Legal consequence (Counsel's view): Under the PFMA and Treasury Regulations, a verbal or meeting-recorded assertion of Ministerial intent carries **zero authorisation weight** for public expenditure purposes. The Minister's intent, if genuine, must be documented in a signed instruction or formal directive originating from the Minister's office.

Absent that, Col Kekana's statement constitutes an **unsubstantiated oral representation**, and one upon which R46 million of public funds was ultimately set in motion. **This is a material gap in the authorisation chain.**

ENQUIRY 3: Which budget financed the project: DI or C Log?

The document reveals a split and unclear budget origin, a significant red flag in itself:

Para 36f (p.9): Col Mostert's interview:

"RM49 was allocated for the renovations. Furthermore, he stated that C Log has allocated RM7.5 for the upgrading of the sewer-line which was found to be dilapidated."

Para 20b (p.6): Koepel Project presentation document:

"Additional funds (RM7.5) have been provided by C Log to finalise the sewer-line which has been claimed to be dilapidated."

Para 37f (p.10): Lt. Col Strydom's interview:

"DoD paid monies directly into DBSA account for the project at SADIC, Mr Luke from DI creates the FA."

Forensic synthesis:

Budget Component	Source	Amount
Primary renovation budget	DI (Defence Intelligence)	RM49
Sewer-line supplement	C Log (Chief Logistics)	RM7.5
Total transferred to DBSA	Mixed	~RM46+ confirmed transferred

Critical finding: The project was financed from **at least two separate budget votes**, DI and C Log, without any documented formal budget consolidation, joint appropriation authority, or cross-vote transfer approval evidenced in the report.

This raises a serious **PFMA s40 and Treasury Regulation 8.1 compliance question**: were the correct appropriation authorities obtained for both votes before funds were committed?

ENQUIRY 4: Who is the Financial Officer at DI who transferred the money?

Para 37f (p.10) : Lt Col Strydom's interview, verbatim:

*"DoD paid monies directly into DBSA account for the project at SADIC, **Mr Luke from DI** creates the FA."*

That is the only identification of the transferring financial officer in the entire document. His full name, rank, force number, and designation are **not recorded** in this report. He is referred to only as "Mr Luke from DI."

"FA" means Financial Authorisation: the internal DOD instrument used to initiate and authorise the transfer of funds from a departmental vote to an external account.

Forensic and Investigative significance:

- Mr Luke is a **critical witness and potentially a key subject** in any PFMA accountability inquiry. He created the FA that caused the actual movement of public funds to DBSA.
- Under PFMA s45, the official who signs or creates a financial authorisation bears **personal accountability** for the validity, accuracy, and authorisation basis of that instrument.
- His **full identity, rank, designation, and the specific FAs he created** must be obtained as a priority investigative step. This requires a formal written request to the DI Chief Financial Officer for all FA documents bearing Mr Luke's name or force number in respect of this project.
- **The investigation report's failure to fully identify him** is itself a **gap in the investigation** that requires immediate investigation.

ENQUIRY 5: What convinced them the transfer instruction was legitimate?

Was legally competent supporting documentation and authorisation received?

This is where the forensic picture becomes **most damaging**. Assembling all relevant paragraphs:

The chain that was accepted as "authorisation":

Step	Document/Act	Para Reference
Meeting assertion of Ministerial intent	Unattributed verbal statement in letter	Para 25a
Col Kekana's urgency recommendation	Oral remarks at meeting	Para 25b
Maj Gen Ledwaba's approval	Silent approval "without making any remarks"	Para 25b

Step	Document/Act	Para Reference
Lt Col Krige Van Heerden email 09 Sep 2020	Email cited as "authority to use DBSA as PM"	Para 26
MOA between DOD and DBSA dd 01 Aug 2019	Formal agreement	Para 23
DBSA tranche request of 13 Oct 2021 — R46 523 815.86	Letter from DBSA requesting transfer	Para 27

What the legal analysis reveals:

① Maj Gen Ledwaba's approval is legally defective.

It was given verbally, at a meeting, without remarks: i.e. without documented reasoning, without a written instrument, and without evidence that he had verified the existence of a budget allocation, a scope of work, or a competitive procurement process. Approval of this nature does not constitute a legally competent authorisation under PFMA s44-45.

② The Van Heerden email is not a legal authorisation instrument.

It is an internal email cited as "authority to use DBSA as PM", but an email from a Lt. Col does not constitute a Treasury-compliant payment authorisation. It carries no appropriation vote reference, no financial delegation confirmation, and does not originate from the Accounting Officer level required under PFMA s44.

③ The DBSA tranche request (para 27) was actioned without documented verification.

R46 523 815.86 was requested by DBSA on 13 October 2021. The report discloses no evidence that DOD verified scope completion milestones, cash flow justification, or contractor performance before Mr Luke created the FA to transfer these funds.

④ The conclusion of the report confirms this (para 41e):

"No formal justification provided from standard SCM procedures or milestone-based payments."

Counsel's finding:

The transfer of R46+ million was initiated on the basis of an unattributed assertion of Ministerial preference, a silent general's approval, an internal email from a junior officer, and a bank account transfer request from the implementing agent: **none of which constitute legally competent supporting authorisation** under the PFMA, Treasury Regulations 8.1 and 16A, or the Supply Chain Management Framework. **This is a textbook unauthorised and potentially irregular expenditure scenario.**

ENQUIRY 6: Was the amount tied to a commercially-based, independently-originated, reviewed and approved supporting document? Did it tie back to authorised budget amounts?

Regarding commercial basis:

Para 21b (p.6): The DBSA project execution plan estimated the total project cost at **R65 871 238.13**: this is the only independently-originated cost estimate in the document, prepared by DBSA.

Para 37g (p.10) : Lt Col Strydom:

"The contract with reference number for Koepel project is RFP265/2020 and the value of the contract is R43,7 million."

Para 27 (p.7): DBSA requested transfer of **R46 523 815.86** on 13 October 2021.

The reconciliation problem:

Document	Amount
DBSA project execution plan estimate	R65 871 238.13
Contract value (RFP265/2020)	R43 700 000.00
Amount DBSA requested transferred	R46 523 815.86
Amount confirmed transferred (para 38a)	~R46 000 000
Amount Col Mostert says was allocated (para 36f)	R49 000 000
Amount Lt Col Strydom confirms transferred (para 37h)	R46 000 000

Three different figures; no reconciliation is provided in the report. The R46.5m transfer request **exceeds the stated contract value** of R43.7m by approximately

R2.8 million, with zero explanation. The budget allocation of R49m exceeds both, with R7.5m added separately by C Log for the sewer-line.

Regarding independent review and approval:

- There is **no evidence in the report** of an independent quantity surveyor's certification of the transfer amount.
 - There is **no evidence** of a milestone completion certificate from a DOD project manager prior to the transfer.
 - There is **no evidence** of a Treasury-approved variation order explaining the difference between contract value and amount transferred.
-
- The report explicitly finds (para 41e): *"No formal justification provided from standard SCM procedures or milestone-based payments."*

Counsel's finding: The amount transferred was not tied back to a commercially reviewed, milestone-verified, independently certified, and competitively-based payment schedule. The quantum appears to have been set by DBSA's own request letter, actioned without independent verification by DOD: a fundamental failure of the payment verification obligations under MOA Section 13.4 and Treasury Regulation 16A.

CONSOLIDATED FORENSIC VERDICT

Enquiry	Finding	Severity
1. Koepel upgrading references	Multiple, fragmented across DPW/DOD/DBSA — no single originating mandate	▲ Governance gap
2. Col Kekana / Minister's intent	Unattributed, unsubstantiated, unsupported by any Ministerial document	● Authorisation failure
3. Budget source	Split DI + C Log — no cross-vote consolidation evidenced	● PFMA s40 risk
4. DI Financial Officer	Identified only as "Mr Luke from DI" — full identity not established in report	● Investigation gap
5. Legitimacy of transfer instruction	No legally competent authorisation chain exists	● Irregular expenditure

Enquiry	Finding	Severity
6. Commercial basis and budget tie-back	No independent certification; figures internally inconsistent; no milestone linkage	● Fruitless & wasteful expenditure

The priority next steps for the investigation are:

1. Formally identify and interview **Mr Luke from DI** - obtain all FAs he created for this project
2. Compel production of the **Ministerial directive or communication** purportedly underpinning Col Kekana's statement, or confirm none exists
3. Reconcile the **R43.7m contract value vs R46.5m transfer request**, obtain the authorised variation order if one exists
4. Request DI and C Log budget allocation documents to establish whether **cross-vote appropriation authority** was obtained.



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24th June 2026

ANNEXURE D

STRICTLY CONFIDENTIAL
PROSECUTION BRIEF — SENIOR COUNSEL

CROSS-EXAMINATION QUESTIONS

SADIC Koepel Conference Facility Project

Case Reference: CASO 03/10/2024 | Brief Reference: CX-BRIEF-SADIC-2025-001

Prepared by:

Henry William McCarter
The Pan-African Peace Commission

PREAMBLE AND STRATEGIC APPROACH

These cross-examination questions are designed to be used by senior prosecution counsel, supported at the bar table by the forensic auditor. Each question set is structured to build admissions cumulatively - beginning with facts the witness cannot dispute, before moving to the conclusions those facts compel. Questions are sequenced to close escape routes before they are needed. The forensic auditor's role is to pass real-time documentary references to counsel as questions are answered.

The prosecution theory is that this was not a case of institutional negligence alone. The pattern of conduct - procurement bypassed, funds transferred in bulk, forged documents accepted without question, retention withheld for no documented reason, recovery never initiated - is consistent with a co-ordinated scheme to extract public funds through a captured contractor (Mothapo), enabled by complicit or compromised officials at DBSA and DOD. Cross-examination must systematically close the gap between "gross negligence" and "knowing facilitation."

Witness	Primary Prosecution Target
Mr C. Ramphele (DBSA)	Establish he knew or ought to have known: (a) Mothapo was not performing; (b) documents were forged; (c) payment was made in breach of MOA s13.4. Close the gap between negligence and facilitation.
Maj Gen M.J. Ledwaba (DOD)	Establish that the urgency justification was manufactured or exaggerated; that no competitive process was considered; and that his approval was either influenced by improper consideration or constituted a knowing dereliction of constitutional duty.
"Mr Luke from DI" (unnamed)	Establish his full identity; that he knew the procurement process was irregular; and that he created the FA for R46m without any milestone-linked basis or documented authorisation.
Lt Col Krige Van Heerden (DOD)	Establish that he knew an email was insufficient authority; that he acted above his authority level; and whether he received any instruction from above to facilitate the DBSA appointment.
Maj Gen D. Nyangasya (DOD)	Establish that his confirmation letter of November 2023 was made without any verification of actual project progress — and whether it was designed to provide false documentary comfort.
Ms Hazel Ratombo (DPW)	Establish the dual appointment failure; resolve the disputed drawings claim; and determine whether her oversight absence was accidental or deliberate.
Mothapo Construction representative	Establish document forgery; establish the payment quantum; establish what happened to the funds received; and identify who within Mothapo authorised the forgery and whether any DOD or DBSA official was privy to it.
Maj Gen S.D. Malakoane (DOD)	Establish why termination of Mothapo was not accompanied by immediate criminal referral and civil recovery action — and who decided not to pursue recovery.

WITNESS 1 — MR CHUENE RAMPHELE

Witness	Mr Chuene Ramphele
Role / Title	Group Executive — Infrastructure Delivery Division
Organisation	DBSA (Development Bank of Southern Africa)
Status	Primary accused / person of interest — highest exposure
Document ref	IG Report paras 26, 31, 34, 35; MOA s13.4; Hawks referral

EXAMINATION OBJECTIVE

Establish that Ramphele:

- (1) held total control over Mothapo's appointment, payment, and verification simultaneously;
- (2) knew or ought to have known that Mothapo was not performing;
- (3) accepted forged documents knowingly or recklessly;
- (4) released the retention payment in direct breach of a written contractual provision he is presumed to have read; and
- (5) failed to initiate recovery because doing so would expose his own conduct.

The ultimate target is establishing whether he received a benefit from Mothapo.

Phase 1 — Establishing his authority and knowledge

Q1. Mr Ramphele, you signed the acknowledgement letter to Maj Gen Ledwaba on 21 September 2020 confirming DBSA's receipt of the DOD's urgent allocation for the Koepel upgrade. Is that correct?

*[Establish he **was the responsible executive from day one** — no delegation defence available]*

Q2. In that capacity, you were personally responsible for DBSA's obligations under the MOA between DOD and DBSA, signed 1 July 2019. Yes?

Q3. You have read section 13.4 of that MOA — the Programme Financial Management clause — which states that DBSA shall only incur expenditure or make payments for work actually done. Is that correct?

Q4. And paragraph 11.1.2, Table 1, of the MOA — the DBSA Management and Claim Structure — provides that the final 10% of the contract value is only to be paid upon completion and submission of a close-out report. You were aware of that provision?

Q5. You personally signed the appointment letter for Moke Construction dated 7 November 2024. That letter has no counter-signature from Moke Construction. Why did you release that letter without obtaining Moke's signature?

[Demonstrates ongoing pattern of process shortcuts — not a once-off error]

Phase 2 — The Mothapo appointment and vetting failure

Q6. DBSA appointed Mothapo Construction and Engineering as the primary contractor for the Koepel project under contract reference RFP265/2020, with a contract value of R43.7 million. You authorised that appointment. Correct?

Q7. Before appointing Mothapo, what steps did DBSA take to verify Mothapo's CIDB grading and financial standing?

[If he names a process, demand the documentation. If no process - the appointment was reckless and a prelude to corruption.]

Q7.1 Did you obtain Mothapo's audited financial statements before appointment?

Q7.2 Did you verify that Mothapo had previously completed projects of comparable value and complexity?

Q7.3 Did you check whether Mothapo had any adverse CIDB findings or prior contractual failures?

Q8. Are you aware that during the project, Mothapo failed to pay its own employees — causing a work stoppage? When did DBSA first become aware of this?

[Failure to pay employees on a state-funded project is a red flag for fund diversion — when he knew matters]

Q9. When DBSA became aware that Mothapo was not paying its employees, what steps did you take?

[Any answer exposes either inaction or inadequate action]

Phase 3 — The payment releases and the forged documents

Q10. Let us take each payment to Mothapo in sequence. For each payment, what documentation did DBSA receive from Mothapo before releasing that payment?

Q10.1 Who within DBSA physically inspected the site and certified that the work described in each invoice had been completed before you released payment?

Q10.2 If no independent site inspection was conducted, on what basis did DBSA certify completion?

Q11. I put it to you that no independent engineer, architect or quantity surveyor employed by or instructed by DBSA conducted an independent physical verification of Mothapo's works before any payment was released. Is that correct?

Q12. You have seen the **DBSA termination letter of 5 July 2024, which states that Mothapo submitted forged documents as part of its evidence**. Who within DBSA received and processed those forged documents?

Q13. What is the process within DBSA for authenticating documents submitted by a contractor before those documents are used as the basis for payment? Describe that process in detail.

[Whatever he describes, it was not followed — establish the gap]

Q14. If that process had been followed — if DBSA had contacted the originating professional authority to confirm the documents were genuine — the forgery would have been detected before payment was made. Do you agree?

Q15. So the forgery succeeded because DBSA's authentication process was either not followed or did not exist. Which is it?

[Binds him — either deliberate bypass or no process at all]

Phase 4 — The 10% retention breach

Q16. The MOA paragraph 11.1.2 required DBSA to withhold 10% of the contract value — approximately R4.37 million — until project completion and submission of a close-out report. Was the 10% retention withheld?

Q17. When was the 10% retention released to Mothapo?

Q18. Was a close-out report submitted by Mothapo before the retention was released?

[Answer is no — now establish who authorised the release]

Q19. Who at DBSA authorised the release of the 10% retention without a close-out report?

Q20. Was there any written instruction or approval from DOD authorising DBSA to depart from the retention requirement?

[Any departure requires documented approval — there was none]

Q21. So DBSA paid Mothapo in full — including the 10% retention — for a project that was not complete, in breach of an express written contractual provision that you have confirmed you were aware of. That is what happened, is it not?

Phase 5 — The R46m bulk transfer and fund management

Q22. On 13 October 2021, DBSA requested that DOD transfer R46,523,815.86 into DBSA's bank account. You made that request. Why was a single bulk transfer requested rather than a series of milestone-linked disbursements?

Q23. Which milestones had been achieved and independently verified at the time you requested the bulk transfer?

[The answer is none — establish this clearly]

Q24. You received R46 million into DBSA's account. Of that, approximately R29 million (twenty-nine million zar) was paid to Mothapo. **Where is the balance?**

[Forces an account of all funds — any unexplained balance is critical]

Q24.1 R2.6 million was paid to SML Construction for drawings. What were those drawings, were they independently verified as fit for purpose, and why was a separate contractor paid for drawings when the project already had appointed consultants?

Q24.2 What other disbursements were made from the R46 million? Produce a full reconciliation.

Phase 6 — Conflict of interest and personal benefit

Q25. Mr Ramphela, did you at any time declare a conflict of interest in respect of Mothapo Construction and Engineering before or during their appointment as contractor?

Q26. Do you have any personal, professional, or financial relationship — direct or indirect — with any director, shareholder, or employee of Mothapo Construction and Engineering?

Q27. Have you at any time received any payment, gift, benefit, hospitality, or other consideration of value from Mothapo Construction, any of its directors, or any intermediary connected to Mothapo?

[Denials here are on the record — impeachable if bank records show otherwise]

Q28. Are you aware of any other DBSA official who received any payment or benefit from Mothapo in connection with this project?

Phase 7 — The failure to initiate recovery

Q29. DBSA discovered that Mothapo had submitted forged documents. You terminated the contract on 5 July 2024. Between the termination and the date of these proceedings, what civil recovery proceedings has DBSA instituted against Mothapo to recover the approximately R29 million to R36 million paid for incomplete works?

[None — forces an admission of inaction]

Q30. Has DBSA made a criminal complaint against Mothapo to the South African Police Service or the Hawks in respect of the forged documents?

Q31. Why not?

[Any answer exposes either institutional paralysis or deliberate suppression]

Q32. Is it not correct that by failing to institute recovery or criminal proceedings, DBSA has effectively protected Mothapo, and those connected to Mothapo, from accountability?

FORENSIC AUDITOR NOTE

Request from the bar table: Produce the full DBSA disbursement ledger for the Koepel project, showing every payment made from the R46m tranche, the date, the payee, the stated basis, and the name of the DBSA official who authorised each payment.

This document is essential to establish whether any payment was made to a related party or to an entity connected to Ramphela, Mothapo, or any DOD official.

COUNSEL NOTE — ANTICIPATED DEFENCE / FOLLOW-UP

Anticipated defence: "I relied on my staff and on Mothapo's documentation." Response: Your fiduciary duty as Group Executive cannot be delegated. You signed the MOA acknowledgement. You made the bulk transfer request. You signed the Moke appointment letter personally. You cannot discharge your personal responsibility by reference to subordinates when you were the named executive authority throughout.

WITNESS 2 — MAJ GEN M.J. LEDWABA (DOD)

Witness	Maj Gen M.J. Ledwaba
Role / Title	Senior DOD official — approved DBSA engagement
Organisation	Department of Defence
Status	Person of interest — Constitution s217 breach; possible PRECCA s4 exposure
Document ref	IG Report para 25(b); Hawks referral section 3.4(a)

EXAMINATION OBJECTIVE

Establish that:

- (1) Ledwaba knew a competitive process was required;

- (2) he chose not to follow it;
- (3) the urgency justification was either manufactured or, even if genuine, did not legally permit the procurement bypass he authorised;
- (4) he produced no written justification; and
- (5) he cannot identify any legitimate basis for selecting DBSA over any other implementing agent.

If the urgency was genuine, the law still required a documented deviation. **There was none.** Either he did not know the law, which is itself a dereliction of duty - **or he did know and chose to ignore it.**

Phase 1 — Constitutional knowledge

Q1. General Ledwaba, in your capacity as a senior official of the Department of Defence, you are aware of Section 217(1) of the Constitution, which requires that procurement by an organ of state must be fair, equitable, transparent, competitive and cost-effective. Is that correct?

Q2. You are also aware that the DOD, as an organ of state, cannot contract out of that constitutional obligation — not even through urgency?

Q3. Are you aware of the Supply Chain Management Framework which sets out the specific process for deviation from competitive procurement, including the requirement for a written deviation certificate approved at the appropriate authority level?

Phase 2 — The approval decision

Q4. The IG Report records that at a meeting on 9 September 2020, Col Kekana recommended the appointment of DBSA, and that you approved — and I quote the IG Report at paragraph 25(b) — "without making any remarks." Is that an accurate record?

Q5. What written justification did you produce for approving DBSA's engagement without a competitive process?

[The answer is none]

Q6. Did you obtain a written legal opinion from DOD's legal division confirming that the urgency of the situation legally permitted the deviation from competitive procurement?

Q7. What other implementing agents did you consider before approving DBSA?

[He considered none — the selection was pre-determined]

Q8. On what basis was DBSA selected over any other entity capable of providing implementing agent services?

Q9. Did you at any time have a prior relationship — professional, personal, or financial — with DBSA or any DBSA official, including Mr Ramphele?

[Prior relationships may explain the pre-determined selection]

Phase 3 — The urgency justification

Q10. You have described the basis for bypassing competitive procurement as urgency. What specifically was the nature of the urgency on 9 September 2020?

Q11. The Koepel project had been registered with DPW since 2016. It was transferred to the DBSA framework in 2019. By September 2020, the project had been under consideration for four years. What new emergency arose in September 2020 that made it impossible to run even an abbreviated competitive process?

Q12. Is it not correct that an abbreviated competitive process — requesting quotes from three pre-qualified implementing agents — could have been completed within two to four weeks?

Q13. You were aware that even under urgency procurement, Treasury Regulation 16A still requires documented justification. Why was no such justification produced?

Q13.1 Who specifically instructed you to approve this urgently, or did you make the decision independently?

Phase 4 — Knowledge of subsequent failures

Q14. After approving DBSA's appointment, what monitoring mechanism did you put in place to ensure DBSA was complying with its MOA obligations?

Q15. At what point did you become aware that R46 million had been transferred to DBSA in a single bulk transfer in October 2021?

Q16. When you became aware of that transfer, did you verify that it was linked to completed milestones?

Q17. At what point did you become aware that Mothapo Construction had failed to complete the works?

Q18. When did you become aware that Mothapo had submitted forged documents?

Q19. After becoming aware of Mothapo's non-performance and document forgery, what steps did you take to ensure recovery of public funds?

[Inaction — exposes dereliction or complicity]

COUNSEL NOTE — ANTICIPATED DEFENCE / FOLLOW-UP

Anticipated defence: "I acted on expert recommendation from Col Kekana and believed urgency justified the decision." Response: The law does not permit you to discharge your personal constitutional responsibility by reference to a subordinate's recommendation. You are the approving authority. You made the decision. The approval "without remark" means you applied no scrutiny whatsoever to a procurement decision worth R65 million. **That is not reliance on expertise - that is abdication of authority.**

WITNESS 3 - "MR LUKE FROM DI" (DEFENCE INTELLIGENCE - IDENTITY TO BE ESTABLISHED)

Witness	"Mr Luke" — full identity to be established by Hawks
Role / Title	Creator of Financial Authorisation (FA) for R46,523,815.86 transfer
Organisation	Defence Intelligence (DI) — Department of Defence
Status	Critical person of interest — identity is the primary investigative gap
Document ref	IG Report para 37(f) — Lt Col Strydom evidence

EXAMINATION OBJECTIVE

This witness cannot be examined until his identity is formally established. These questions are prepared in anticipation of that identification. The examination objective is to establish:

- (1) his full identity, rank, and authority level;
- (2) the legal basis on which he was authorised to create Financial Authorisations for DOD fund transfers;
- (3) what documentation he reviewed or was required to review before creating the FA;
- (4) whether any milestone achievement was verified before the FA was created;
- (5) who instructed him to create the FA; and
- (6) whether he had any relationship — financial or otherwise — with Ramphela, Ledwaba, or Mothapo.

Phase 1 — Identity and authority

Q1. Please state for the record your full name, rank, title, and the unit within Defence Intelligence to which you were assigned in October 2021.

Q2. In your capacity within Defence Intelligence, you had authority to create Financial Authorisations for transfers from DOD accounts. What is the source of that delegated authority — which instrument, signed by whom, delegates Financial Authorisation creation to your position?

Q3. What is the maximum rand value of a Financial Authorisation you were authorised to create unilaterally, and what approval process is required for amounts above that threshold?

Q4. The Financial Authorisation for R46,523,815.86 — was that amount within your individual delegation, or did it require a countersignature or higher approval?

[R46m almost certainly exceeds individual delegation — who else signed?]

Phase 2 — The creation of the FA

Q5. On or before 13 October 2021, you created a Financial Authorisation for the transfer of R46,523,815.86 from a DOD account to DBSA. What documentation did you review before creating that FA?

Q5.1 Did you review the MOA between DOD and DBSA to confirm the transfer was in compliance with the agreed cash-flow plan?

Q5.2 Did you verify that any milestone had been achieved and certified before creating the FA?

Q5.3 Did you obtain written instruction from an authorised superior to create the FA? Who gave that instruction?

Q6. In what circumstances does your role require you to verify the underlying transaction before creating an FA — specifically, are you required to confirm that milestones have been achieved before authorising a transfer of this magnitude?

Q7. If you were not required to verify milestones, then your FA mechanism had no built-in safeguard against a bulk advance transfer for work not yet done. Is that correct?

*[Structural control failure — establishes that **the FA was the mechanism by which the bulk transfer bypassed all controls**]*

Q8. Who within DOD instructed you to create the FA for R46 million in October 2021? Was that instruction in writing?

Q9. At the time you created the FA, were you aware that no competitive procurement process had been followed in appointing DBSA as implementing agent?

Phase 3 — Relationships and benefit

Q10. Prior to creating this FA, did you have any professional or personal relationship with Mr Ramphela of DBSA?

Q11. Did you have any professional or personal relationship with Maj Gen Ledwaba?

Q12. Have you at any time received any payment, gift, or other benefit in connection with the SADIC Koepel project or from any party connected to it?

FORENSIC AUDITOR NOTE

The FA document itself (MC-SADIC-DOC-13) must be produced and placed before this witness. It will show the date of creation, the authority reference used, whether any countersignature exists, and what supporting documentation was attached. Compare the FA creation date against the milestone schedule - if the FA predates any verified milestone, it is direct evidence that the transfer was an advance payment in breach of MOA s13.4.

WITNESS 4 — LT COL KRIGE VAN HEERDEN (DOD)

Witness	Lt Col Krige Van Heerden
Role / Title	Issued email authority to use DBSA as Project Manager on 9th September 2020
Organisation	Department of Defence
Status	Person of interest ; unauthorised procurement instrument; possible conduit for instructions from above
Document ref	IG Report para 26; Hawks referral section 3.4(b)

EXAMINATION OBJECTIVE

Establish that:

- (1) Van Heerden knew an email was not a valid procurement instrument;
- (2) he was acting above his authority level in purporting to authorise DBSA's role by email;
- (3) someone above him - either Ledwaba or another senior official - directed him to send that email; and
- (4) the email was deliberately designed to create a paper trail of "authority" while insulating the true decision-makers from direct accountability.

Phase 1 — The email

Q1. On 9 September 2020, you sent an email to DBSA purporting to authorise DBSA's use as project manager for the Koepel project. Is that correct?

Q2. At the time you sent that email, what was your rank and substantive appointment within the DOD?

Q3. A Lt Col in the South African National Defence Force — what is the financial delegation authority attached to that rank for procurement decisions in the DOD?

[Well below R65m — establishes he had no authority]

Q4. You were aware, were you not, that a project with a total estimated value of R65,871,238.13 cannot be authorised by a Lt Col's email?

Q5. A valid procurement deviation instrument for a project of this value would require a formal written document, approved at general officer or accounting officer level, citing the specific grounds for deviation and the legal basis for it. You know that, do you not?

Q6. So you knew, when you sent that email, that it was not a legally valid procurement authorisation. Yet you sent it. Why?

Phase 2 — Who instructed you

Q7. Did you compose and send that email on your own initiative, or were you instructed to send it?

[This is the key question — who directed him]

Q8. If you were instructed, who gave you that instruction? Was the instruction in writing or verbal?

Q9. Did you express any concern to the person who instructed you that an email from a Lt Col was insufficient authority for a procurement of this scale?

Q10. Were you aware at the time that Maj Gen Ledwaba had approved the DBSA appointment at the meeting on 9 September 2020? Was your email sent as a follow-up to that meeting?

[Establishes the email was implementing Ledwaba's decision — chain of command visible]

Q11. So the sequence was: Ledwaba approved verbally at the meeting, and you were then used to create a written paper trail in the form of an email that was below the required authority level. Is that a fair description of what happened?

Phase 3 — Knowledge of consequences

Q12. Did you understand that DBSA would rely on your email as the legal authority for its entire engagement on the project?

Q13. When R46 million of public funds was subsequently transferred to DBSA, did you understand that your email was being cited as the foundational authorisation?

Q14. Did you at any time notify your superiors that the email you had sent was being treated as the authorisation for a R46 million transaction?

Q15. If you had known in September 2020 that your email would be used to justify a R46 million transfer, would you have sent it in that form?

[If he says no, it proves the email was inadequate and he knew it]

COUNSEL NOTE — ANTICIPATED DEFENCE / FOLLOW-UP

Anticipated defence: "I was acting on instructions and believed it was within my authority." Response: You have confirmed knowledge of the DOD's financial delegation framework. A Lt Col's email does not authorise a R65 million procurement. Belief is not a defence to a knowing act. The question is not whether you believed it was valid — the question is whether, knowing it was not valid, you sent it anyway **because you were directed to do so, and if so, by whom.**

WITNESS 5 — MAJ GEN D. NYANGASYA (DOD)

Witness	Maj Gen D. Nyangasya
Role / Title	Signed project handover confirmation letter — 16 November 2023
Organisation	Department of Defence
Status	Person of interest — issued unverified confirmation used to justify continued fund releases
Document ref	IG Report para 31

EXAMINATION OBJECTIVE

Establish that Nyangasya's letter of 16 November 2023 confirmed project handover dates and timelines without any independent verification of actual project progress — and that this letter was used as documentary cover for continued engagement and disbursements after the project was already materially in default. Determine whether the letter was a genuine oversight failure or a **deliberate instrument of concealment**.

Q1. General Nyangasya, on 16 November 2023 you wrote a letter to Mr Ramphela of DBSA confirming that the Koepel project would be handed over on 12 April 2022 for a period of 11 months. Is that correct?

Q2. Before writing that letter, what steps did you take to independently verify the actual state of progress of the Koepel project?

[None — establish this]

Q2.1 Did you conduct or commission an independent site inspection before writing that letter?

Q2.2 Did you obtain a progress report from a professional consultant independent of Mothapo?

Q2.3 Did you review Mothapo's payment certificates against independent verification of work completed?

Q3. So when you wrote that the project would be handed over on 12 April 2022, you did not personally verify that the project was at a stage of completion consistent with that handover date?

Q4. As at 16 November 2023, the project was already approximately 19 months past the April 2022 handover date you referenced. Were you aware of that when you wrote the letter?

Q5. If you were aware that the project was 19 months behind its own handover date, why did you write a letter in November 2023 that referenced the April 2022 date without noting the delay or its causes?

Q6. Who instructed you to write that letter, or did you decide to write it independently?
[Establish chain of command for the letter]

Q7. What was the purpose of that letter — what was it intended to achieve?
[If it was intended to support continued disbursements, it becomes an instrument of fraud]

Q8. Did you understand that DBSA or DOD might rely on your letter as evidence that the project was progressing satisfactorily?

Q9. Is it correct that by the time you wrote that letter, Mothapo had already received approximately R29 million to R36 million in payments and had not completed the works? Were you aware of that?

[If yes — the letter was written with knowledge of default. If no — an impossible catastrophic oversight failure]

COUNSEL NOTE — ANTICIPATED DEFENCE / FOLLOW-UP

Anticipated defence: "I wrote the letter based on information provided to me by the project management team." Response: You are a Major General. A letter from a General Officer carries institutional authority. Before placing your signature on a document confirming project timelines and handover, you had a duty to verify the facts you were certifying. Reliance on unverified staff information does not discharge that duty.

WITNESS 6 — MS HAZEL RATOMBO (DPW)

Witness	Ms Hazel Ratombo
Role / Title	DPW Project Manager — Koepel facility upgrading
Organisation	Department of Public Works and Infrastructure (DPW)
Status	Person of interest — dual appointment; disputed drawings claim; oversight failure
Document ref	IG Report paras 29(b), 29(c); Lt Col Strydom evidence para 37(j)

EXAMINATION OBJECTIVE

Establish:

- (1) how the dual PM appointment arose and who was responsible for it;
- (2) whether Ratombo's presence as a parallel PM created a deliberate ambiguity that was exploited to avoid accountability;
- (3) the truth of the disputed drawings claim - did drawings exist, are they genuine, and if they exist, why was As-Built information unavailable to RMA Architects?

Q1. Ms Ratombo, you were appointed by DPW as project manager for the upgrading of the Koepel facilities at SADIC. When were you appointed and by whom?

Q2. At the time of your appointment, were you aware that DBSA had already been appointed as implementing agent for the same project, with its own project management structure?

Q3. When you became aware of the dual appointment — in August 2021 — what did you do about it?

Q4. The IG Report records that the dual appointment was only resolved by agreement in August 2021, after which your scope was limited to roads, storm-water and carports. Who authorised that scope split? Was it in writing?

Q5. Between the project's inception in 2019 and August 2021 — over two years — both you and DBSA were acting as project managers simultaneously. During that period, who was responsible for verifying Mothapo's work and certifying payments?

[Exposes the verification vacuum — each deferred to the other]

Q6. Is it correct that during that period, **neither DPW nor DBSA designated a single individual with unambiguous authority to certify Mothapo's payment claims?**

Q7. Mr Lt Col Strydom has given evidence that when the question of project drawings arose, you — and I quote paragraph 37(j) of the IG Report — "claimed that there were drawings made." RMA Architects, on the other hand, confirmed that they could not obtain As-Built information. Explain the discrepancy.

[Her answer either produces the drawings or exposes the claim as false]

Q7.1 If drawings existed, produce them. Where are they held? Who prepared them? When were they completed?

Q7.2 If they were made but are now unavailable, what happened to them?

Q8. Is it not correct that if proper As-Built drawings had been available and held by DPW, the baseline against which Mothapo's progress could have been measured would have existed — and **Mothapo's forged documents might have been detected earlier?**

Q9. Did you at any stage during the project conduct a physical site inspection and produce a written progress report?

[If no — a senior PM who never inspected the site]

Q10. Did you at any stage formally advise DOD or DBSA in writing that the project was behind schedule or that there were performance concerns with Mothapo?

FORENSIC AUDITOR NOTE

Request production of all DPW project files for the Koepel project, including any drawings she claims to exist. If drawings are produced, subject them to forensic examination to verify authenticity and date of preparation. Compare them against Mothapo's forged submissions — the connection between the two will be revealed.

**WITNESS 7 : MOTHAPO CONSTRUCTION AND ENGINEERING
(AUTHORISED REPRESENTATIVE)**

Witness	Authorised representative / director of Mothapo Construction and Engineering
Role / Title	Primary contractor — appointed by DBSA; terminated 5 July 2024
Organisation	Mothapo Construction and Engineering (private entity)
Status	Primary accused — fraud confirmed; PRECCA s3 exposure; fund diversion suspected
Document ref	IG Report paras 32, 38; Termination letter Appendix O

EXAMINATION OBJECTIVE

This is the most direct examination in the suite. Establish:

- (1) who within Mothapo created the forged documents;
- (2) who within Mothapo knew about and authorised the forgery;
- (3) what happened to the R29m+ in state funds received;
- (4) who within DOD or DBSA — if anyone — was aware that the documents were forged at the time of submission;
- (5) any prior relationships between Mothapo's principals and any DOD or DBSA official; and
- (6) any payments made by Mothapo to any third party connected to the project.

Phase 1 — The contract and the scope

Q1. Mothapo Construction and Engineering was appointed by DBSA under contract RFP265/2020 for a contract value of R43.7 million. You accepted that appointment. Correct?

Q2. At the time of appointment, did Mothapo have the financial capacity, staffing, and technical expertise to complete a project of this value and complexity?

[If no — the appointment itself was fraudulent]

Q3. What was Mothapo's annual turnover at the time of appointment?

Q4. How many comparable infrastructure projects had Mothapo successfully completed prior to this appointment?

Phase 2 — The forged documents

Q5. The DBSA termination letter of 5 July 2024 states that Mothapo submitted forged documents as part of its evidence to the Principal Agent during contract management. Do you accept that?

Q6. Who within Mothapo created those forged documents?

[Core question — establishes internal accountability chain]

Q7. Who within Mothapo authorised the submission of those forged documents to DBSA?

Q8. What were those documents designed to show — what claim were they supporting?

Q9. Before those documents were submitted to DBSA, did any DBSA official — including Mr Ramphela or any DBSA project manager — indicate to anyone at Mothapo what the documents needed to show in order for payment to be released?

[Critical — establishes whether any DBSA official was complicit in the forgery]

Q10. Did any DBSA official indicate to you that a site inspection would not be conducted before payment was released?

[If yes — DBSA officials told Mothapo that forged documents would not be checked]

Q11. Did any DOD official — including any official from Defence Intelligence — indicate to you at any stage that payments would continue regardless of documented progress?

Phase 3 — The payments and the funds

Q12. Mothapo received approximately R29 million from DBSA in respect of this contract. Is that the correct figure? If not, what is the correct figure?

Q13. Produce a full account of how those funds were applied. Specifically: what percentage was spent directly on project works at the SADIC site, and what was the balance applied to?

Q13.1 What payments did Mothapo make to subcontractors on this project? To whom, in what amounts, and for what services?

Q13.2 What payments did Mothapo make to any related party — any company or individual connected to Mothapo's directors or shareholders — in connection with this project?

Q13.3 Mothapo failed to pay its own employees during the contract period. If R29 million was received and employees were not paid, where did that money go?

Q14. Produce Mothapo's bank statements for the period from the date of appointment to the date of termination, showing all receipts from DBSA and all outgoing payments. All of them.

[Bank statements are the definitive evidence of fund diversion]

Phase 4 — Prior relationships with DOD and DBSA officials

Q15. Prior to being appointed on the Koepel project, did any director or employee of Mothapo have a prior professional or personal relationship with Mr Ramphele of DBSA?

Q16. Did any director or employee of Mothapo have a prior relationship with Maj Gen Ledwaba?

Q17. Did any director or employee of Mothapo have a prior relationship with the individual known as "Mr Luke from DI" in Defence Intelligence?

Q18. Did Mothapo make any payment — directly or through any intermediary — to any DOD or DBSA official, or to any person connected to a DOD or DBSA official, in connection with this project?

[The corruption payment question — directly on the record]

Q19. I put it to you directly: the reason Mothapo was appointed without adequate vetting, the reason DBSA accepted forged documents without verification, and the reason no

recovery was initiated for years, is because Mothapo made payments to officials who were in a position to facilitate all of these outcomes. Do you deny that?

Phase 5 — The state of the works

Q20. At the time of Mothapo's termination in July 2024, what percentage of the contracted scope of works had actually been completed?

Q21. A replacement contractor — Moke Construction — was appointed in November 2024 at a cost of R12,175,904.96 to complete what Mothapo left undone. Do you accept that the works Moke is completing are works for which Mothapo was already paid?

Q22. That means the state has paid twice for the same works — once to Mothapo and once to Moke. Do you accept that?

COUNSEL NOTE — ANTICIPATED DEFENCE / FOLLOW-UP

Mothapo's representative will likely take refuge in silence or claim that all decisions were made by individual employees who are no longer with the company. The response: a company acts through its directors and employees. The submission of forged documents to obtain payment is fraud committed by the company, regardless of which individual within the company carried it out. The company and EVERY DIRECTOR is directly liable. Demand the identity of every individual involved in preparing, approving, and submitting the forged documents.

WITNESS 8 — MAJ GEN S.D. MALAKOANE (DOD)

Witness	Maj Gen S.D. Malakoane
Role / Title	Signed contract termination letter — 11 July 2024
Organisation	Department of Defence
Status	Person of interest — terminated Mothapo without initiating recovery; decision not to pursue accountability
Document ref	IG Report para 33

EXAMINATION OBJECTIVE

Establish that the decision not to initiate civil recovery or criminal referral following Mothapo's termination was a deliberate institutional decision — not an oversight. Determine who made that decision, at what level it was made, and whether the failure to pursue recovery was designed to protect specific individuals from accountability. Malakoane signed the termination – ergo he must account for what came after it.

Q1. General Malakoane, on 11 July 2024 you signed a letter confirming that the contract between DBSA and Mothapo Construction had been terminated. Is that correct?

Q2. By the time you signed that letter, you were aware that DBSA had found that Mothapo submitted forged documents. Is that correct?

Q3. Section 34 of PRECCA imposes a mandatory obligation on any person who holds a position of authority and knows of a corrupt offence to report it to the SAPS as soon as possible. Did you report Mothapo's conduct to the SAPS or the Hawks after signing the termination letter?

[If no — he breached a mandatory legal obligation]

Q4. If not, why not?

Q5. Who decided that a criminal referral to the Hawks would not be made at the time of termination?

Q6. At the time of signing the termination letter, were you aware of the approximate quantum — R29 million to R36 million — that Mothapo had received for incomplete works?

Q7. What civil recovery steps did DOD take against Mothapo after termination, to recover public funds paid for works not performed?

[None — establish the decision]

Q8. Who made the decision not to institute civil recovery proceedings against Mothapo?

Q9. When you signed the termination letter, was there any discussion at DOD leadership level about instituting civil recovery against Mothapo?

Q10. Is it not correct that by failing to institute criminal and civil proceedings immediately on termination, DOD allowed the limitation periods for certain claims to continue running — potentially jeopardising the state's ability to recover those funds?

Q11. Do you know the identity of the individual referred to in evidence as "Mr Luke from DI" — the person who created the Financial Authorisation for the R46 million transfer?

[Senior enough to know — if he does and didn't disclose, this is significant]

Q12. Was any investigation conducted within the DOD to identify and hold accountable the DOD official who created the FA for R46 million without milestone controls?

Q13. Is it correct that the effect of the decisions made after Mothapo's termination — no criminal referral, no civil recovery, no internal accountability — was to bury this matter rather than surface it?

COUNSEL NOTE — ANTICIPATED DEFENCE / FOLLOW-UP

Anticipated defence: "Recovery action was being handled by DBSA, not DOD."
Response: DOD is the constitutional principal. The funds belong to DOD. The obligation to safeguard public funds and pursue their recovery is imposed by the PFMA on the DOD Accounting Officer — it cannot be delegated to DBSA. **DOD's passivity after termination is an independent breach of the PFMA**, regardless of what DBSA did or did not do.

SYNTHESIS — ESTABLISHING THE CORRUPTION HIERARCHY

The following questions are designed to be put to each witness in the final stage of cross-examination, after the individual admissions above have been secured. Their purpose is to establish the architecture of the scheme as a whole - who knew what, who communicated with whom, and who benefited.

THE HIERARCHY AS THE PROSECUTION THEORY SHOWS IT:

Tier	Actor	Role in Scheme	Evidence Establishing Role
1	Mothapo Construction	Direct perpetrator — executed the fraud through forged documents; received public funds for work not done	Termination letter confirming forgery; payment records; site inspection evidence of incomplete works
2	Mr C. Ramphela (DBSA)	Enabler and potential co-conspirator — accepted forged documents; released payments without verification; ignored contractual controls; did not pursue recovery	MOA obligations; payment release records; absence of verification documentation; failure to report or recover
3	"Mr Luke" from Defence Intelligence	Financial mechanism — created the FA for R46m without milestone controls; provided the instrument by which public funds were transferred to DBSA without oversight	Lt Col Strydom evidence; FA document; absence of milestone verification before FA creation
4	Maj Gen M.J. Ledwaba	Procurement gateway — opened the door by approving DBSA without competitive process and without documentation; removed the first and most critical control	IG Report para 25(b); absence of any written justification or deviation certificate

Tier	Actor	Role in Scheme	Evidence Establishing Role
5	Lt Col Van Heerden	Paper trail creator - provided the written "authority" email at insufficient level, insulating Ledwaba from direct documentary accountability while enabling DBSA to proceed	Email of 09 Sep 2020; authority level analysis
6	Maj Gen Nyangasya	Documentary cover — issued unverified confirmation letter providing false comfort about project progress, enabling continued disbursements after default	Letter of 16 Nov 2023; absence of verification; 19-month delay concealed
7	Maj Gen Malakoane	Suppressor — terminated the contract but ensured no criminal or civil consequences followed, protecting the hierarchy from accountability	Termination letter; absence of Hawks referral; absence of civil claim
8	Ms Ratombo (DPW)	Accountability void creator — parallel PM whose presence diffused responsibility without adding oversight; disputed drawings claim may conceal additional document manipulation	Dual appointment; unresolved drawings dispute; absence of progress reports

CLOSING QUESTIONS: TO BE PUT TO EVERY WITNESS:

The following questions should be asked of every witness at the conclusion of their examination, after their individual admissions are on record:

Q14. Is it your evidence that the payment of R29 million to R46 million to Mothapo Construction — for works that were not completed — was the result of simultaneous, independent failures by multiple individuals across multiple organisations, none of whom

communicated with or were aware of the others? Or do you accept that the pattern of conduct points to co-ordinated pattern of corrupt action?

[Forces the witness to either adopt the implausible coincidence theory or concede co-ordination]

Q15. Are you aware of any meeting, communication, or arrangement between any official of DOD, DBSA, or DPW and any representative of Mothapo Construction, in which the subject of payments for incomplete works was discussed?

Q16. Are you aware of any payment made by any party connected to this project to any government official — whether directly or through an intermediary — in connection with the award of the contract to Mothapo, the release of payments to Mothapo, or the failure to pursue recovery from Mothapo?

Q17. If this scheme was not planned and co-ordinated - if it truly was a coincidence of individual failures - then the Madlanga Commission must accept that every single control layer put in place by the Constitution, the PFMA, the Treasury Regulations, the MOA, the CIDB Act, and common law contract, all failed simultaneously, by accident, in the same direction, to the benefit of the same contractor. Is that your evidence?

[The ultimate rhetorical question: forces the absurdity of the coincidence theory onto the record]

FORENSIC AUDITOR NOTE

After all examinations are complete, the forensic auditor should present a consolidated financial reconstruction: all inflows to the project from DOD; all disbursements from DBSA; all payments to Mothapo; all payments to any other party; and any unexplained outflows. The gap between what was received, what was demonstrably spent on works, and what is unaccounted for is the financial evidence of the scheme's proceeds. This reconstruction should be presented as **Exhibit MC-SADIC-FINANCIAL-RECONSTRUCTION-001**.

END OF CROSS-EXAMINATION BRIEF - CX-BRIEF-SADIC-2025-001

*Prepared for Senior Counsel (Prosecution) and Senior Forensic Auditor
Classification: STRICTLY CONFIDENTIAL | For prosecution use only*

LEGALLY PRIVILEGED AND CONFIDENTIAL — WITNESS PREPARATION DOCUMENT

EXHIBIT E

This document is prepared for the exclusive use of Lt Col W.J. Strydom (89399257PE) and his legal representative in preparation for testimony before the Madlanga Commission and/or interview by the Directorate for Priority Crime Investigation (Hawks/DPCI). It is protected by legal professional privilege. It must not be disclosed to any third party without the express written consent of the preparing legal representative.

Item	Detail
Full name	Lt Col W.J. Strydom
Service number	89399257PE
Designation	SO1 Quantity Surveying — Defence Works Formation (DWF)
Actual utilisation	Civil engineering and project management on DBSA projects (by qualification)
Interview conducted	23 January 2025 (in person — IG investigators)
Forum(s) anticipated	Madlanga Commission hearing; possible Hawks interview under caution
Witness status	Key factual witness — not currently a person of interest
Preparation document ref	WPD-STRYDOM-SADIC-001

PART 1 — PURPOSE AND SCOPE OF THESE NOTES

These notes are prepared to assist Lt Col Strydom in:

- Understanding the full factual and legal context of the SADIC Koepel Project matter as it is likely to be explored by the Commission and/or the Hawks.
- Recalling and organising his own direct knowledge and observations clearly and accurately.
- Understanding the significance of specific statements he made in his interview of 23 January 2025, which are of particular evidential importance.
- Understanding his rights and obligations as a witness.
- Preparing to give clear, consistent, accurate and complete testimony.

IMPORTANT LEGAL NOTE

These preparation notes do not instruct or suggest that Lt Col Strydom say anything other than the complete truth as he knows it. Witness preparation is a legitimate and necessary part of legal proceedings. It means helping a witness to recall, organise and clearly communicate facts they already know, not coaching a witness to say something they do not know to be true. Any deliberate false statement before the Commission or to the Hawks constitutes perjury or an offence under PRECCA.

PART 2 — YOUR EVIDENCE IN THE IG REPORT: WHAT YOU SAID AND WHY IT MATTERS

The Inspector General's report records your interview evidence at paragraph 37 (pages 10–11). The following is a structured breakdown of what you said, its evidential significance, and areas where you are likely to be questioned in depth.

2.1 Your Role and Background

You told investigators that you were appointed as SO1 Quantity Surveying at Defence Works Formation in December 2018, but that you are utilised in a civil engineering capacity due to your qualifications, and that you serve as project manager on DBSA projects. You also worked on 1 Military Hospital project together with Lt Col Van Heerden (Retired).

WHY THIS MATTERS

Your dual role — formally QS but acting as civil engineering PM on DBSA projects — is significant because it means you had direct visibility of project management processes, fund flows, and the Financial Authorisation mechanism. It also raises the question of whether your formal designation matched your actual function, and whether this created any gaps in accountability or oversight. You should be prepared to explain clearly the distinction between your formal appointment and your actual duties.

2.2 The MOA and Its Addendum

You confirmed that on 1 July 2019 the DOD and DBSA signed a Memorandum of Agreement (MOA), and that there was an addendum to the MOA signed around March/April 2021. You explained that the reason behind the MOA with DBSA was that the DOD had previously had an MOA with DPW and was not satisfied with the progress on projects.

WHY THIS MATTERS

The MOA is the primary legal instrument governing DBSA's obligations — including the critical payment control provisions in section 13.4. You should be prepared to confirm what you understood those obligations to be, including whether DBSA was required to verify deliverables before payment. You should also be prepared to explain what the addendum changed, if anything, in respect of payment controls.

2.3 The Financial Authorisation — "Mr Luke from DI"

This is the most critically important statement in your interview. You told investigators:

"DOD paid monies directly into DBSA account for the project at SADIC. Mr Luke from DI creates the FA."

— Your interview, IG Report paragraph 37(f)

WHY THIS MATTERS — CRITICAL

"Mr Luke from DI" is the only known reference to the individual who created the Financial Authorisation (FA) for the transfer of R46,523,815.86 from DOD to DBSA. This FA is the instrument that authorised the single largest financial transaction in this matter. His identity has not been established anywhere else in the IG Report. The Hawks and/or the Commission will likely make it a priority to identify this person. Your evidence is the only evidence that names this function and this individual. You must be prepared to answer every question you can about what you know of this person.

Anticipated questions on this point — prepare to answer each:

1. What is the full name of the person you know as "Mr Luke from DI"? What is his rank or title?
2. How do you know that Mr Luke created the FA? Did you witness this, or was it told to you, or is it standard procedure in DI?
3. What does the FA process normally involve? Who authorises it, who countersigns it, and what supporting documentation is required before an FA of R46m+ can be created?
4. Did you ever see the FA document itself? If so, what information did it contain? Who signed it?
5. Was the creation of the FA by DI the normal procedure for transfers of this type, or was it unusual?
6. Did you raise any concern or query about the FA or the transfer with anyone at DOD or DBSA?
7. Do you know whether the FA was linked to any milestone achievement or whether it was a bulk advance transfer?

PREPARATION NOTE

If you do not know the answer to any of the above questions, say so clearly and directly. "I do not know" is a complete and acceptable answer. Do not speculate or guess. If you knew this information at the time of your IG interview but cannot now recall it precisely, say so and describe what you do recall. Never state as fact something you are not certain of.

2.4 Fund Flows — What You Know

You provided the following specific financial evidence in your interview:

Your Statement (IG para 37)	Evidential Significance
The MOA was signed 1 July 2019; addendum signed March/April 2021	Establishes the contractual framework and its duration
Contract reference for Koepel is RFP265/2020; contract value R43.7 million	Establishes the contracted amount against which payments must be measured
To date RM46 has been transferred to DBSA for partial work done by SML Construction and Mothapo Construction	Establishes the total transfer quantum; confirms it was for partial work only
SML Construction was paid RM2.6 for drawings; Mothapo Construction was paid RM29	Establishes the specific allocations within the R46m — critical for recovery proceedings
Mothapo did not pay its employees for a particular period, leading to non-performance and eventual stoppage	Supports the inference of fund diversion — payments received but not applied to project costs
Ms Ratombo claimed that there were drawings made	Creates a disputed factual issue about the existence and adequacy of project drawings

2.5 The MOA with DBSA vs the Previous DPW Arrangement

You explained that the Koepel Project was registered with DPW between 2016 and 2017, and that there were many complaints from DOD about progress. There was no proper scope of work, no DOD member was involved, and DPW was expected to finish by 1 January 2019. The DOD then switched to DBSA as implementing agent because it was not satisfied with DPW's performance.

WHY THIS MATTERS

This context is important because it establishes that the DOD was aware of the risks of inadequate project management from prior experience — yet the DBSA engagement was approved without competitive procurement and without documented safeguards. This may be relevant to the question of whether the urgency justification for bypassing procurement was genuine.

PART 3 — AREAS OF LIKELY QUESTIONING AND HOW TO APPROACH THEM

/3.1 Questions About the Dual PM Appointments

The IG Report records that dual consultant appointments — by both DPW and DBSA — were discovered in August 2021, over two years into the project. You will likely be asked:

- a. When did you become aware of the dual appointment?
- b. What action did you take or recommend when you became aware?
- c. Who was responsible for monitoring whether DPW and DBSA were acting in an overlapping or conflicting way?
- d. In your view, did the dual appointment contribute to the failure to detect Mothapo's non-performance?

3.2 Questions About Mothapo's Performance and the Forged Documents

You will be asked about what you observed or were told regarding Mothapo's performance on site. Key questions to prepare for:

- a. Did you conduct or participate in any site visits to the Koepel project during Mothapo's tenure as contractor?
- b. Did you observe the state of the works at any stage? If so, when and what did you observe?
- c. Were you aware at any stage that Mothapo's documentary submissions did not match the actual state of the works on site?
- d. When and how did you become aware that Mothapo had submitted forged documents?
- e. Did you raise any concerns about Mothapo's performance with anyone at DOD or DBSA prior to the termination?

3.3 Questions About the Payment Process

As SO1 Quantity Surveying acting in a PM capacity, you may be asked about the payment certification process:

- a. What was the process by which payments to Mothapo were certified and approved? Who was involved at each step?
- b. Did you sign off on any payment certificates for Mothapo? If so, on what basis?
- c. Were you involved in any decision to release the 10% retention to Mothapo before project completion?
- d. In your professional judgment as a quantity surveyor, was the payment process followed on this project consistent with standard practice?

3.4 Questions About Your Own Role and Any Personal Liability

If the Hawks interview you rather than the Commission, you should be aware that they may explore whether your own conduct requires investigation. You should:

- a. Consult with your legal representative before any Hawks interview. You have the right to legal representation in a Hawks interview.
- b. Be aware that if you are asked questions the answers to which might incriminate you, you have the right to remain silent and to consult your legal representative.
- c. Be clear and consistent about the limits of your authority, the scope of your decisions, and what decisions were made by others.
- d. Do not volunteer information beyond what is asked, but do not withhold information that is directly relevant to questions put to you.

PART 4 — DOCUMENTS YOU SHOULD REVIEW BEFORE TESTIMONY

Before giving testimony, Lt Col Strydom should review and refresh his recollection of the following documents:

Document	Why You Should Review It
MOA between DOD and DBSA (01 July 2019) and its March/April 2021 Addendum	You gave evidence about the MOA. You should be able to confirm its key terms, particularly section 13.4 (payment controls), and what the addendum changed.
Your own interview record (IG Report para 37)	You should know precisely what you said. Review for accuracy. If anything is inaccurately recorded, note it and raise it with your legal representative before testimony.
The Financial Authorisation document for the R46m transfer	You named Mr Luke as the creator of this document. If you can obtain a copy, review it to confirm your recollection. If you cannot obtain it, note this.
DBSA project execution plan and payment records	These will form the basis of questions about the quantum of payments and their relationship to works done.
Site handover meeting notes (29 August 2018)	Establishes the original scope of works — which is the benchmark for measuring what Mothapo was contracted to deliver.
Moke Construction appointment letter (07 November 2024)	You may be asked about the replacement contractor. Note that this letter is unsigned by Moke.
IG Report paragraphs 36–37 (interview records of Col Mostert and Lt Col Strydom)	Read your own evidence in context of the OC SADIC's evidence. Note any points of consistency or potential discrepancy.

PART 5 — GENERAL WITNESS GUIDANCE

5.1 Fundamental Rules for Testimony

1. Tell the truth. Every time. This is not only your legal obligation — it is also, strategically, your best protection. Inconsistencies between your evidence and documentary records are more damaging than admitting you do not know something.
2. If you do not know, say so. "I do not know", "I cannot recall", and "I would need to check the documents" are complete, appropriate answers. They are far better than guessing.
3. If you do not understand a question, ask for it to be repeated or clarified. Do not answer a question you have not understood.
4. Take your time. There is no time pressure in giving testimony. Pause, think, then answer.
5. Answer only the question asked. Do not volunteer additional information beyond what is directly responsive to the question. If the questioner wants more, they will ask.
6. If a question contains an incorrect assumption, correct the assumption before answering. Do not allow an incorrect premise to stand by answering as if it were true.
7. Distinguish clearly between what you observed personally, what you were told by others, what you inferred, and what you believe. These are different categories of evidence.
8. If you gave evidence in your IG interview that differs from your current recollection, explain the difference honestly. Do not attempt to reconcile them artificially.

5.2 Specific Points for This Matter

1. "Mr Luke from DI" — Be precise about what you know and what you do not know. If you know his full name, say so. If you only know him as "Mr Luke from DI", say exactly that and explain how you came to know this.
2. The R46m transfer — Be precise about the source of your knowledge. Did you see the transaction records, or were you told about the amount by someone else? By whom?
3. The Mothapo payment figures — You gave the figure of R29m paid to Mothapo and R2.6m to SML Construction, within an overall R46m transfer. Be prepared to explain the source of these figures and acknowledge if there is any uncertainty in the precise amounts.
4. Ms Ratombo's claim about drawings — You noted that she claimed drawings existed. Be prepared to distinguish between what she claimed and what you personally observed or verified.
5. Your dual role — Be candid about the gap between your formal SO1 QS appointment and your actual PM function. This is not something to be defensive about — it is a structural issue in the DOD's deployment of personnel.

5.3 Your Rights as a Witness

- a. You have the right to legal representation at all times during Commission proceedings and Hawks interviews.
- b. You have the right to decline to answer questions that would tend to incriminate you (right against self-incrimination). You should raise this right through your legal representative if applicable.

- c. You have the right to be treated with dignity and respect.
- d. You are entitled to a copy of your prior witness statement / interview record to refer to during testimony.
- e. If you are uncertain about your rights or the implications of a question at any point during testimony, you may request a short adjournment to consult your legal representative.

PART 6 — QUICK REFERENCE: KEY FACTS YOU CONFIRMED IN YOUR INTERVIEW

The following is a quick reference summary of the key facts you confirmed in your 23 January 2025 interview. Review this to ensure your current recollection is consistent:

Topic	What You Confirmed	Para
Your role	SO1 QS at DWF from Dec 2018; utilised as civil engineer and PM on DBSA projects	37(a)
The MOA	DOD-DBSA MOA signed 01 Jul 2019; addendum signed Mar/Apr 2021	37(b)
Why DBSA replaced DPW	DOD not satisfied with DPW progress; previous MOA with DPW was not working	37(c)
Koepel project history	Registered with DPW 2016–2017; many DOD complaints; no proper scope; DPW expected to finish by 01 Jan 2019	37(d)
NME Engineers	Appointed by DPW for roads and stormwater at SADIC	37(e)
Fund flow and Mr Luke	"DOD paid monies directly into DBSA account for the project at SADIC. Mr Luke from DI creates the FA."	37(f)
Contract reference and value	RFP265/2020; value R43.7 million	37(g)
Total transferred to DBSA	R46m transferred for partial work by SML Construction and Mothapo Construction	37(h)
SML Construction payment	R2.6m for drawings	37(h)
Mothapo payment	R29m paid to Mothapo Construction	37(h)
Mothapo non-performance	Did not pay employees; employees stopped working; Mothapo stopped from continuing	37(i)
Drawings claim	Ms Ratombo claimed that drawings were made	37(j)

FINAL NOTE TO LT COL STRYDOM

Your evidence is of significant public importance. The identification of "Mr Luke from DI" as the creator of the Financial Authorisation is the single most important factual lead in establishing the full accountability chain for the R46 million transfer. Your full, honest and clear testimony will be a material contribution to the public interest. These notes exist to help you give that testimony as effectively and accurately as possible - nothing more.

Document Reference: WPD-STRYDOM-SADIC-001 Prepared by: Henry William McCarter 3rd July 2026

FROM THE DEPARTMENT OF DEFENCE

EXHIBIT F

To: **The Board of Directors**
c/o: **The Chief Executive Officer**
Development Bank of Southern Africa (DBSA)
1258 Lever Road, Headway Hill
Midrand, 1685

FORMAL DEMAND FOR RECOVERY OF PUBLIC FUNDS
SADIC KOEPEL PROJECT - CASE REFERENCE CAS0 03/10/2024

In terms of: MOA s13.4 · PFMA ss38 and 45 · PRECCA Act 12 of 2004

Demand Reference: DOD-REC-SADIC-2025-001

Response required: prior to 10th SEPTEMBER 2026

Dear Board of Directors / Chief Executive Officer,

1. INTRODUCTION AND BASIS OF THIS DEMAND

1. The Department of Defence (DOD) hereby makes formal demand upon the Development Bank of Southern Africa (DBSA) for the recovery of public funds misapplied, improperly disbursed, or lost as a result of DBSA's breach of its obligations under the Memorandum of Agreement (MOA) between the DOD and DBSA signed 1 July 2019, and its Addendum signed March/April 2021, in connection with the Koepel Conference Facility upgrade project at the South African Defence Intelligence College (SADIC), case reference CAS0 03/10/2024.
2. This demand is made in terms of:

- a. Section 13.4 (Programme Financial Management) of the MOA between DOD and DBSA, which required DBSA to incur expenditure and make payments only for work actually done by contractors and consultants;
- b. Paragraph 11.1.2, Table 1 (DBSA Management and Claim Structure, S6 Close-Out) of the MOA, which required DBSA to withhold 10% of the contract value until project completion and submission of a close-out report;
- c. Sections 38(1)(c) and 45(b) and (c) of the Public Finance Management Act, Act 1 of 1999 (PFMA), which impose obligations on all parties managing public funds to safeguard those funds, prevent misuse, and ensure that payments are made only for value received;
- d. The common law obligations of an agent acting in a fiduciary capacity — including the duty to act in the principal's best interests, to verify transactions before completing them, and to account for all funds received in trust; and
- e. The Prevention and Combating of Corrupt Activities Act, Act 12 of 2004 (PRECCA), in that DBSA accepted forged documents from Mothapo Construction and Engineering without independent authentication, facilitating the disbursement of public funds on the basis of fraudulent representations.

2. FACTUAL BASIS

- 3. The following facts are established by the Inspector General Investigation Report DEF INSP DIV/C/501/16/5/1/4 dated 19 March 2026 and are not in dispute:

- a. The DOD transferred R46,523,815.86 to DBSA's bank account on or around 13 October 2021 for the implementation of the Koepel Conference Facility upgrade project at SADIC, under contract reference RFP265/2020.
- b. DBSA appointed Mothapo Construction and Engineering as primary contractor, with a contract value of R43,700,000.00.
- c. DBSA made payments to Mothapo Construction in an amount of between R29,000,000 and R36,000,000 (the precise figure to be confirmed from DBSA's disbursement ledger, which is hereby demanded as set out in paragraph 7 below).
- d. DBSA released those payments without independently verifying that the works claimed in Mothapo's payment certificates had been completed.
- e. DBSA released the full payment to Mothapo without enforcing the 10% retention clause (approximately R4,370,000) required under paragraph 11.1.2 of the MOA — in direct contravention of a written, express contractual obligation.
- f. Mothapo Construction submitted forged documents to DBSA as evidence of progress. DBSA accepted those forged documents without independent authentication from the originating professional authority, and released payment on the basis of those forged documents.
- g. The project was not completed by Mothapo. Mothapo's contract was terminated by DBSA on 5 July 2024. A replacement contractor (Moke Construction and Projects) was appointed in November 2024 at a further cost of R12,175,904.96 to complete the outstanding works.

- h. No civil recovery proceedings have been instituted by DBSA against Mothapo Construction in respect of the funds paid for incomplete works, despite the discovery of document fraud.**

3. DBSA'S BREACHES — LEGAL ANALYSIS

- 4. The DOD submits that DBSA breached its obligations under the MOA and its fiduciary duties in the following respects, each of which independently gives rise to DBSA's liability to the DOD for the resulting loss:

3.1 Breach of MOA section 13.4 — payment without verification

- a. Section 13.4 of the MOA required DBSA to make payments "only for work actually done." DBSA released payments to Mothapo without conducting independent physical site inspections or obtaining independent professional certification that the works claimed in each payment certificate had been completed.
- b. This breach is not a technical procedural failure — it is the primary mechanism through which Mothapo's fraud succeeded. Had DBSA verified deliverables before payment, the forgery would have been detected and the loss would not have occurred.

3.2 Breach of MOA paragraph 11.1.2 — failure to enforce retention

- a. The retention clause was an express written provision of the MOA. It existed precisely to protect against non-performance. DBSA paid Mothapo in full — including the 10% retention — without a close-out report. No documented

authorisation from DOD for this departure from the contractual provision has been produced.

3.3 Acceptance of forged documents — negligence and potential facilitation

- a. **DBSA accepted forged documents** from Mothapo without independent verification. A reasonable implementing agent in DBSA's position, acting with the care required by its fiduciary obligations and by the MOA, would have authenticated the originating professional authority's certification before releasing payment on the basis of that document.
- b. The DOD reserves its position on whether DBSA's acceptance of forged documents constituted knowing facilitation of fraud. This question is the subject of the Hawks investigation. DBSA's civil liability for the resulting loss arises independently of the criminal question.

3.4 Failure to initiate recovery

- a. Upon discovery that Mothapo had submitted forged documents, DBSA had an immediate obligation to institute recovery proceedings against Mothapo and to report the matter to the Hawks. DBSA terminated the contract but took no civil recovery steps. This inaction has caused and continues to cause further loss to the state by allowing Mothapo's assets to remain exposed to dissipation.

4. QUANTUM OF DEMAND

5. The DOD demands recovery from DBSA of the following amounts:

Component of Demand	Amount	Basis
1. Total payments made to Mothapo for incomplete/unverified works	R[to be confirmed from DBSA ledger]	
2. Cost of replacement contractor (Moke Construction)	R12,175,904.96	
3. 10% retention paid to Mothapo in breach of MOA para 11.1.2	R4,370,000.00 (est.)	
4. Mora interest on amounts (1) and (3) at prime rate from date of each payment	To be calculated	
5. Legal and investigation costs reasonably incurred by DOD in pursuing this demand	To be determined	
TOTAL MINIMUM DEMAND (Items 1–3, excluding interest and costs)	R [CONFIRMED AFTER LEDGER REVIEW]	PENDING LEDGER

5. DOCUMENTS DEMANDED SIMULTANEOUSLY

6. Simultaneously with this demand for payment, the DOD demands that DBSA produce the following documents within 5 business days of receipt of this letter:
 - a. The complete DBSA disbursement ledger for the Koepel project, showing every payment made from the R46,523,815.86 transferred by DOD, including the

date, payee, amount, payment reference, authorising officer, and stated basis for each payment.

- b. All payment certificates submitted by Mothapo Construction to DBSA — including those identified as forged in the termination letter of 5 July 2024.
- c. All DBSA bank statements for the account into which the DOD's R46,523,815.86 was transferred, for the period 1 October 2021 to 31 July 2024.
- d. The DBSA project file for contract RFP265/2020, including all correspondence with Mothapo Construction, all site inspection records (if any), and all payment authorisation documentation.
- e. All communication between DBSA (including Mr Ramphele) and any DOD official regarding the project, the payments, or the termination.
- f. The name and contact details of every DBSA official who authorised or processed any payment to Mothapo Construction.

6. CONSEQUENCES OF NON-COMPLIANCE

- 7. Should DBSA fail to comply with this demand within 10 business days of receipt, the DOD will, without further notice:
 - a. Institute civil proceedings against DBSA in the High Court for recovery of all amounts demanded herein, together with costs on an attorney-and-client scale;
 - b. Refer the matter to the Special Investigating Unit (SIU) for investigation and civil recovery proceedings under the SIU Act 74 of 1996;

- c. Refer the matter to the Auditor-General of South Africa for a formal material irregularity finding and issuance of binding remedial action directives against DBSA under the Public Audit Act 25 of 2004;
- d. Refer the matter to National Treasury for a formal procurement compliance finding and any applicable directive under the PFMA;
- e. Place on record before the Judicial Commission of Inquiry (Madianga Commission) that DBSA has refused to comply with a formal recovery demand from the DOD, as further evidence of DBSA's unwillingness to account for public funds; and
- f. Pursue all available remedies against Mr Chuene Ramphela personally, in his capacity as the Group Executive who held fiduciary authority over the project.

7. RESERVATION OF RIGHTS

- 8. The DOD reserves all rights, including the right to amend this demand upon completion of the Financial Reconstruction Framework (FRF-SADIC-2025-001), which may result in a higher quantum of demand once primary financial documents are obtained and verified.
- 9. Nothing in this letter constitutes a waiver of any right, claim, or remedy available to the DOD, whether in law, equity, or contract.
- 10. The DOD draws DBSA's board's attention to its duties under King IV and the Companies Act 71 of 2008 to take immediate governance action upon receipt of this demand, including the suspension of any implicated official and the appointment of an independent investigator.

Yours faithfully,

[Name of DOD Accounting Officer / Legal Representative]

[Capacity]

Department of Defence

Date: [DATE]

DEMAND REFERENCE: DOD-REC-SADIC-2025-001 | RESPONSE REQUIRED

WITHIN 10 BUSINESS DAYS | CLASSIFICATION: CONFIDENTIAL

STRICTLY CONFIDENTIAL - FORENSIC AUDITOR AND PROSECUTION TEAM

FINANCIAL RECONSTRUCTION FRAMEWORK

SADIC Koepel Conference Facility Project

Case Reference: CAS0 03/10/2024 | Document Reference: FRF-SADIC-2025-001 |
Classification: CONFIDENTIAL

Establishing the Precise Quantum of State Loss

*Prepared by: Henry William McCarter and Senior Forensic Auditors |
For use by: Prosecution team, SIU, Hawks, NPA, AGSA*

1. PURPOSE AND SCOPE

- 1.1 This Financial Reconstruction Framework (FRF) establishes the methodology, data sources, and analytical steps required to determine the precise quantum of public funds lost, misappropriated, or unrecovered in connection with the SADIC Koepel Conference Facility upgrade project.
- 1.2 The IG Report establishes approximate figures only. Lt Col Strydom's evidence gives R46m transferred, R29m paid to Mothapo, and R2.6m paid to SML Construction. The IG Report paragraph 36(g) states "to date RM36 was paid to Mothapo" — creating a range of R29m to R36m. This range is too wide for criminal prosecution or civil recovery proceedings. A precise, evidenced, vouched figure is required.
- 1.3 This framework specifies exactly which documents must be obtained, in what sequence they must be analysed, how the reconstruction must be structured, and what the output must look like to withstand challenge in court and before the Commission.

2. THE QUANTUM PROBLEM — WHY PRECISION MATTERS

THE R7 MILLION GAP

The IG Report contains two different figures for payments to Mothapo Construction: paragraph 36(g) (Col Mostert evidence) states "RM36 was paid to Mothapo Construction and Engineering"; paragraph 37(h) (Lt Col Strydom evidence) states "Mothapo Construction was paid RM29." The difference is R7 million. For any criminal charge of fraud or corruption, and for any civil recovery claim, the prosecution must be able to state the precise amount with supporting documentary evidence. The R7 million gap cannot remain unresolved.

3. KNOWN FINANCIAL DATA — FROM THE IG REPORT

Ref	Transaction	Amount	Source	Confidence
T-01	Total estimated project budget	R65,871,238.13	DBSA execution plan (Appx B)	HIGH — documented
T-02	Contract value — RFP265/2020 (Mothapo)	R43,700,000.00	Lt Col Strydom evidence para 37(g)	HIGH — specific and sourced
T-03	Total transferred DOD → DBSA	R46,523,815.86	DBSA tranche request Oct 2021 (Appx K)	HIGH — specific figure in request
T-04	Paid to SML Construction (drawings)	R2,600,000.00	Lt Col Strydom evidence para 37(h)	MEDIUM — single witness, unvouched
T-05	Paid to Mothapo — figure A	R29,000,000.00	Lt Col Strydom evidence para 37(h)	MEDIUM — single witness, unvouched
T-06	Paid to Mothapo — figure B	R36,000,000.00	Col Mostert evidence para 36(g)	MEDIUM — single witness, unvouched
T-07	Additional C Log allocation (sewer)	R7,500,000.00	Col Mostert evidence para 36(f)	MEDIUM — single witness, unvouched
T-08	Moke Construction contract value	R12,175,904.96	Appointment letter Nov 2024 (Appx Q)	HIGH — documented in letter
T-09	Balance unaccounted (T-03 minus T-04 minus T-05)	R14,923,815.86	Derived calculation	LOW — requires reconciliation
T-10	Balance unaccounted (T-03 minus T-04 minus T-06)	R7,923,815.86	Derived calculation	LOW — requires reconciliation

4. PRIMARY DOCUMENTS REQUIRED FOR RECONSTRUCTION

4. The following documents must be obtained — by Commission production order, Hawks search warrant, or SIU subpoena — before the financial reconstruction can be completed. They are listed in priority order.

Priority	Document	Source / Custodian	Legal Instrument Required	Forensic Purpose
1 — CRITICAL	DBSA disbursement ledger for the Koepel project — showing every payment made from the R46m tranche, date, payee, amount, authorising officer, and stated basis	DBSA Finance division	Commission production order; Hawks search warrant; SIU subpoena	This is the master document. It resolves the R29m vs R36m gap and identifies every payment made from public funds, including any payments to parties not yet visible in the evidence.
2 — CRITICAL	DBSA bank statements — the account into which the R46m was transferred — for the full period Oct 2021 to Jul 2024	DBSA; Standard Bank / banking institution	Commission order; Hawks warrant	Independently verifies every inflow and outflow from the project account. Cross-checks the disbursement ledger. Identifies any payments to related parties not shown in the ledger.
3 — CRITICAL	Mothapo Construction bank statements — full account history for all accounts held by the entity and its directors — for the period of the contract	Banking institution (Standard Bank / FNB / Absa — to be confirmed from CIPC records)	Hawks warrant under CPA s21; NDPP POCA order	Establishes what happened to the R29m–R46m received. Identifies whether funds were diverted to connected parties, directors personally, or any DOD/DBSA official.
4 — HIGH	Financial Authorisation (FA) document for the R46,523,815.86	DOD / Defence Intelligence	Hawks warrant; Commission direction to	Establishes the basis on which the transfer was authorised, whether any milestone

Priority	Document	Source / Custodian	Legal Instrument Required	Forensic Purpose
	transfer — including all supporting documentation attached when the FA was created		DG Intelligence	certification was attached, and who countersigned the FA.
5 — HIGH	All Mothapo payment certificates submitted to DBSA — the documents on the basis of which each payment was released, including the forged documents identified in the termination letter	DBSA project file	Commission order; Hawks search	Establishes: what each payment purported to cover; whether it was for work actually completed; and the specific documents that have been identified as forgeries.
6 — HIGH	DBSA project payment schedule — the contractually agreed milestone payment structure under contract RFP265/2020	DBSA; Mothapo Construction	Commission order	Establishes what each payment should have been linked to, enabling comparison against what it was actually linked to.
7 — MEDIUM	SML Construction invoices and bank records — establishing what was paid for drawings and whether those drawings were delivered and used	SML Construction; DBSA	Hawks warrant	Establishes whether the R2.6m payment was legitimate, and whether SML Construction is connected to any party of interest.
8 — MEDIUM	C Log additional allocation records	DOD C Log department	Commission order	Establishes whether this additional allocation was properly

Priority	Document	Source / Custodian	Legal Instrument Required	Forensic Purpose
	— R7.5m for sewer-line			authorised and whether it was applied to the project.
9 — MEDIUM	CIPC company records — Mothapo Construction directors, shareholders, related entities, and any entities sharing common directors	CIPC — public record	No instrument required — publicly available	Establishes the corporate structure of Mothapo and identifies any related party transactions or connected-entity payments.
10 — LOWER	All other DBSA administrative fees, management fees, and overhead charges deducted from the R46m tranche	DBSA Finance	Commission order	Accounts for the full R46m and ensures no portion was applied to unauthorised charges.

5. RECONSTRUCTION METHODOLOGY — SIX STEPS

5. Once the primary documents are obtained, the reconstruction proceeds in six sequential steps. Each step must be completed before the next begins, as each step's output forms the input for the next.

STEP 1 — ESTABLISH THE GROSS INFLOW

Objective: Confirm the total amount received by DBSA from DOD for the Koepel project from all sources.

- a. From DBSA bank statements: identify every credit to the project account from DOD. Confirm that R46,523,815.86 was the only transfer, or identify any additional transfers not captured in the IG Report.
- b. From DOD payment records: confirm the transfer date(s), the reference numbers, and the Financial Authorisation number(s) used.

- c. From C Log records: confirm the R7.5m additional allocation — whether it was transferred to DBSA or managed separately.
- d. Output: A verified gross inflow figure with full documentary support. This is the ceiling against which all outflows are measured.

STEP 2 — MAP EVERY OUTFLOW FROM THE DBSA PROJECT ACCOUNT

Objective: Account for every rand disbursed from the project account, to whom, when, on what stated basis, and under whose authorisation.

- a. From the DBSA disbursement ledger: list every payment in date order with payee, amount, authorising officer, and payment reference.
- b. Cross-check against DBSA bank statements to confirm each ledger entry corresponds to an actual bank transaction.
- c. Categorise every outflow: payments to Mothapo Construction; payments to SML Construction; DBSA management and administration fees; payments to any other party; and any unidentified outflows.
- d. For each Mothapo payment: identify the payment certificate or other document that was submitted as the basis for the payment. Record the date submitted, the date paid, the amount claimed, and the amount paid.
- e. Output: A complete payment register — every outflow from the R46m, fully categorised, with the name of the DBSA official who authorised each payment.

STEP 3 — QUANTIFY PAYMENTS FOR INCOMPLETE OR UNVERIFIED WORKS

Objective: Determine which payments to Mothapo were for works that were not completed, not verified, or supported by forged documents.

- a. Obtain the contract payment schedule (Step document priority 6) — the milestone against which each payment should have been linked.
- b. For each Mothapo payment: compare the milestone claimed in the payment certificate against independent evidence of whether that milestone was actually achieved (site inspection records, engineer's certificates, photographic evidence).
- c. Identify specifically which payment certificates have been confirmed as forged (per the DBSA termination letter of 5 July 2024). Quantify the amount claimed under forged certificates.

- d. Engage an independent quantity surveyor to assess the fair value of works actually completed by Mothapo at the date of termination. This provides the "value received" figure.
- e. Calculate: Amount paid to Mothapo MINUS fair value of works actually completed = Prima facie loss to the state attributable to Mothapo's fraud.
- f. Output: A verified "loss to the state" figure, expressed as a precise rand amount with full supporting methodology and documentary basis.

STEP 4 — TRACE MOTHAPO'S RECEIPTS

Objective: Establish what Mothapo did with the public funds it received — specifically whether funds were diverted to connected parties or any DOD/DBSA officials.

- a. From Mothapo's bank statements: identify every outflow from Mothapo's account(s) following each receipt from DBSA.
- b. Categorise outflows: legitimate project costs (subcontractor payments, materials, plant hire, labour); payments to Mothapo directors personally; payments to related entities; and payments to any third party whose connection to the project is unclear.
- c. Flag any payment to any individual who is also connected to DOD or DBSA — any such payment is a potential corruption payment and must be referred to the Hawks immediately.
- d. Establish the gap: amount received by Mothapo from DBSA MINUS legitimate project costs actually incurred = Amount unaccounted for or diverted.
- e. Cross-reference with CIPC records (priority document 9) to identify whether any Mothapo outflow went to an entity connected to a DOD or DBSA official.
- f. Output: A Mothapo fund flow diagram showing every rand received and every rand disbursed, with identification of any suspicious or unexplained outflows.

STEP 5 — CALCULATE THE TOTAL STATE LOSS

Objective: Produce a single, defensible, precisely quantified state loss figure that encompasses every element of financial harm.

Loss Component	Amount (to be confirmed)	Status
A. Payments to Mothapo for incomplete/unverified works	R[Step 3 output]	
B. Replacement contractor cost (Moke Construction)	R12,175,904.96	
C. Additional sewer allocation (C Log — if unrecovered)	R7,500,000.00	
D. Unaccounted balance from R46m tranche (Step 2 output)	R[Step 2 output]	
E. DBSA management fees applied to failed project	R[Step 2 output]	
F. Interest on delayed recovery (mora interest at prime)	To be calculated from date of each payment	
G. Cost of Moke completing works already paid to Mothapo (double-payment loss)	R[Step 3 vs Moke scope comparison]	
TOTAL MINIMUM STATE LOSS (Components A + B)	R58,000,000+	CONFIRMED MINIMUM
TOTAL MAXIMUM STATE LOSS (All components A–G)	R[To be determined]	PENDING DOCUMENTS

STEP 6 — PRODUCE THE FORENSIC FINANCIAL RECONSTRUCTION REPORT

Objective: Package the reconstruction as a formal forensic report, signed by the Senior Forensic Auditor, structured for use in criminal proceedings, civil recovery, and Commission hearings.

- The report must be structured as: Executive summary (one page); methodology and sources; step-by-step reconstruction with workings; summary loss table; annexures (all primary source documents with exhibit references).
- Every figure must be sourced to a specific document, a specific entry in that document, and a specific date. No figure may appear in the report without a traceable evidential basis.
- The report must include a confidence rating for each figure: CONFIRMED (verified against two or more independent primary sources); PROBABLE

(verified against one primary source); or ESTIMATED (derived from incomplete information, to be updated when documents are obtained).

- d. The forensic auditor must be prepared to defend every figure under cross-examination and must disclose the methodology fully so that the defence can challenge it.
- e. The report must be produced in both a full version (for court and Commission use) and a summary version (for recovery demand letters and referral submissions).

6. FINANCIAL ACCOUNTABILITY MATRIX — WHO OWES WHAT

- 6. Once the reconstruction is complete, the following accountability matrix establishes the legal basis for recovery against each party. This matrix forms the foundation for both the DBSA recovery demand letter and the SIU civil proceedings.

Party	Basis of Liability	Recovery Instrument	Estimated Exposure
Mothapo Construction	Fraud (forged documents); unjust enrichment; breach of contract; PRECCA s3	SIU civil claim; POCA forfeiture; common law damages	Full amount received for incomplete works — R29m to R36m plus interest
DBSA	Breach of MOA s13.4 (paying without verification); breach of fiduciary duty; administrative negligence; failure to enforce retention clause	Recovery demand letter; SIU civil claim; AGSA remedial directive	Amount paid to Mothapo without verification plus consequential costs — potentially joint and several with Mothapo
Mr Ramphela personally	Breach of fiduciary duty; PFMA s86; PRECCA s3/s4 if corrupt facilitation established	Personal civil claim; criminal confiscation order (POCA); AGSA personal liability directive	To be determined by bank record analysis — may extend to amounts received by him personally
DOD	Failure of principal oversight; PFMA s38 breach; fruitless and wasteful expenditure	AGSA remedial action; National Treasury directive; internal recovery	Additional cost of replacement contractor (R12.17m) and any unrecovered balance from R46m transfer

Party	Basis of Liability	Recovery Instrument	Estimated Exposure
		from responsible officials	
DOD Accounting Officer personally	PFMA s86 — wilful or negligent failure to comply with s38 duties	Criminal prosecution; AGSA personal liability directive; civil claim	Personal criminal liability - up to 5 years imprisonment; potential civil liability for consequential loss

END OF FINANCIAL RECONSTRUCTION FRAMEWORK — FRF-SADIC-2025-001

This framework must be updated as primary documents are obtained. All figures marked [To be determined] must be replaced with verified amounts before the framework is used in any legal proceeding.

THE PEACE COMMISSION OF SOUTHERN AFRICA

3rd February 2026

EXHIBIT H

General Rudzani Maphwanya,
Chief of the South African National Defence Force,
Defence Headquarters,
Pretoria,
Republic of South Africa.



Dear General Rudzani Maphwanya,

**SUBJECT: PUBLIC: FINAL CEASE AND DESIST NOTICE
TREASON, CRIMES AGAINST HUMANITY &
COMPLIANCE TO UPHOLD YOUR OATH OF OFFICE.**

1. INTRODUCTION

I last met with you on **17th December 2023** in your office, where I delivered a Cease and Desist Notice emphasizing that your **Oath of Office** requires you to serve the people of South Africa, and not foreign interests.

This correspondence constitutes a further formal **Cease and Desist Notice**, issued pursuant to:

- **Constitution of the Republic of South Africa, Sections 195, 199, and 200**
- **Defence Act 42 of 2002, Sections 2 and 14**

It pertains to the letter and attached protected disclosure submitted to your office on **19th January 2026**, regarding systemic corruption, large-scale money laundering, manipulation of the ZAR, and threats to national security.

The undersigned expressly clarifies that the primary concern is **your failure, as Chief of the SANDF**, to act independently in accordance with your **Oath of Office**. From your lack of action it is apparent that you are taking directives from other interests, thereby neglecting your constitutional duty to serve the people of South Africa.

2. OATH OF OFFICE and CONSTITUTIONAL DUTY

As Chief of the SANDF, you Swore an Oath to:

- Uphold the Constitution;
- Protect national security and public institutions;
- Serve the people of South Africa faithfully, without any influence from external organisations or foreign actors.

Failure to act on the matters detailed in the 19th January 2026 letter and referred herein constitutes a breach of your constitutional, statutory, and ethical obligations.

3. REQUIRED ACTION

You are hereby ordered to:

1. Immediately review and act upon the matters raised in the 19th January 2026 disclosure, attached report, and the disclosure in paragraph 4 below;
2. Exercise Independent judgment as mandated by your Oath of Office, without influence from foreign interests or private networks;
3. Ensure that all appropriate steps are taken lawfully and proportionately to safeguard national security, public institutions, and the stability of the South African economy;
4. Provide written confirmation within **seven (7) days** that you have commenced lawful action in accordance with the disclosure;

5. Recognize that failure to act constitutes:

- Breach of your **Oath of Office**;
- Dereliction of constitutional duties under Sections 195, 199, and 200 of the Constitution, conflated with Sections 2 and 14 of the Defence Act;
- Exposure to potential civil, criminal, and international legal proceedings.

4. THE SYSTEMIC WEAPONISATION OF FINANCE, CONFLATED WITH THE WEAPONISATION OF INFORMATIONAL INFRASTRUCTURE AGAINST THE CIVILIAN POPULATION

The deliberate weaponisation of financial systems, law-enforcement mechanisms, and judicial processes against a civilian population constitutes, in international law, a form of **non-kinetic warfare** reaching the threshold of crimes against humanity where it results in widespread or systematic harm.

In this regard, evidence and technical reports presented during October 2024 to senior officials within the South African National Defence Force, including representatives of the South African Military Health Service (Office of the Deputy Surgeon General), and subsequently to the Counter-Intelligence Corps on 15 November 2024, raised grave concerns regarding the alleged compromise and external control of critical national communications infrastructure, including cellular and radio transmission systems.

The reporting engineers contend that such infrastructure has been utilised in a manner causing large-scale psychological manipulation, physical harm, and civilian fatalities. If substantiated, such conduct would meet internationally recognised indicators of **terrorism**, **treason**, and potentially an **act of war directed at the civilian population**.

International jurisprudence is unequivocal that senior military leadership bears **personal criminal responsibility** where they knew, or ought reasonably to have known, of conduct

amounting to crimes against humanity or acts of war, and failed to prevent or repress such conduct.

In *Prosecutor v Delalić et al (Čelebići Case, ICTY, 1998)*, the International Criminal Tribunal for the former Yugoslavia held that a commander's **failure to act** in the face of credible information constituted criminal liability under the doctrine of **command responsibility**, regardless of whether the commander directly ordered the acts.

Similarly, in *Prosecutor v Jean-Pierre Bemba Gombo (ICC, 2016)*, the International Criminal Court affirmed that senior military leaders are criminally liable where they **fail to take all necessary and reasonable measures** to prevent or address serious violations affecting civilian populations, including acts causing widespread psychological and physical harm.

These authorities establish that continued inaction by a Chief of Defence Force, once placed on notice of conduct potentially amounting to treason, terrorism, or acts of war against a civilian population, may give rise to **individual criminal liability under international law**, irrespective of domestic political considerations.

Despite repeated written communications and requests for intervention by the reporting engineers to the aforementioned SANDF offices, no substantive investigative, preventative, or protective action has been communicated or observed to date.

To this end the Engineers have appointed the Peace Commission of Southern Africa, to take this matter to the highest level, in that regard, a preliminary meeting is requested with yourself, the Surgeon General, myself, Peace Commissioner Lt Commander Sylvester Mangolele, and two of the electronic engineers, on an urgent basis.

5. FINAL WARNING

This is the **line in the sand**: your role is to **serve the people, uphold the Constitution, and defend national security**. Any continued inaction or adherence to external influences over your constitutional obligations will be treated as a deliberate violation of the law, which may result in escalation to parliamentary, legal, and international oversight bodies, including the International Criminal Court.

This correspondence constitutes formal notice for purposes of domestic and international law.

Sincerely,

Henry William McCarter
Chairman



Executive Council:

Mr. Henry McCarter (Chairman), H.R.M. Makikele II (Vice-Chairman), H.R.M. Mervyn Dunn, H.R.M. Letsitsa III, H.R.M. Patrick Dunn, P.M. Dingizwe Manyaka, Nkosi Thulasizwe Ngcobo, Lt. Commander Sylvester Mangolele, Dr. Paolo Brogneri, Dr. Faiez Kirsten, Mrs. Michelle Tovey, Mr. Jannie Meyer, Mr. Ronald Plaatjies, Mr. Phakamani Dlamini, Mr. Cobus Pieterse, Mr. Jannie Meyer,

SADC Region: Mr. Andre Gomes (Angola), Mr. Lennox Sola (Botswana), HRH. Mduduzi Dlamini (Eswatini), Mr. Elisio Faela (Mozambique), H.R.H. Norberth Tjombode (Namibia), Adv. E Ndala (Namibia).

Email: HenryMc@afrilegal.com **Phone:** +27 82 491 6728

ATTACHMENTS:

19 th January 2026	Letter from the Peace Commission of Southern Africa
3 rd February 2026	Notice to the ICC Prosecutor.

THE PEACE COMMISSION OF SOUTHERN AFRICA

16th February 2026

NOTICE TO THE MINISTER OF DEFENCE

South African National Defence Force Headquarters
Pretoria.

Attention: Hon. Minister Mrs. Angie Motshekga,

secdef@dod.mil.za; info@dod.mil.za; Sipiwe.Dlamini@dod.mil.za



Subject: **Seven-Day Constitutional Notice:**

Ministerial Oversight and Civilian Supremacy over the Defence Force

Honourable Minister,

This notice is issued pursuant to Sections 198, 200, read with Sections 92, 195 and 237 of the Constitution. Ministerial oversight; security services accountability; constitutional discipline.

The Constitutional Court has repeatedly affirmed that the exercise of public power within the security sector is constrained by legality. In *Masetlha*, the Court rejected the proposition that national security decisions are immune from constitutional review. Executive discretion in the security sphere remains bounded by rationality.

Section 199(7) prohibits members of the security services from acting in a partisan manner or furthering party-political interests. The constitutional design therefore insulates the defence force from political manipulation.

In *Economic Freedom Fighters v Speaker of the National Assembly (Nkandla)*, the Court underscored that constitutional obligations bind all holders of public office and cannot be disregarded without violating the rule of law. Ministerial accountability over the defence portfolio must therefore be substantive, not merely formal.

Further, the reasoning in *Glenister II* affirms that accountability mechanisms must be effective. Civilian oversight of the defence force must operate in fact, not only in theory.

You are hereby placed on seven (7) days' notice to convene a constitutional governance engagement at the Office of the Chief of the Defence Force, Pretoria, to address:

- Ministerial oversight structures;
- Compliance with Section 199(5) and (7);
- Rational decision-making within defence administration;
- Measures ensuring insulation of the defence force from partisan or unlawful influence.

Kindly confirm within seven (7) days, and kindly treat this matter as urgent.



Henry William McCarter
Chairman



Executive Council:

Mr. Henry McCarter (Chairman), HRM Makikele II (Vice-Chairman), HRM Mervyn Dunn, HRM Dr. Letsitsa III, HRM Patrick Dunn, P.M. Dingizwe Manyaka, Nkosi Thulasizwe Ngcobo, Lt. Cmdr. Sylvester Mangolele, Mr. Bongani Ramonta; Dr. Paolo Brogneri, Dr. Faiez Kirsten, Mrs. Michelle Tovey, Mr. Jannie Meyer, Mr. Ronald Plaatjies, Mr. Phakamani Dlamini, Mr. Cobus Pieterse, HRH Nolubabalo Mcinga,

Pan-African Region: HRM. Kelvin Morgan (Ghana), Mr. Andre Gomes (Angola), Mr. Lennox Sola (Botswana), HRH. Mduduzi Dlamini (Eswatini), Mr. Elisio Faela (Mozambique), HRH. Norberth Tjombode (Namibia), Adv. E Ndala (Namibia), Mr. John Matsoro (Lesotho), Mr. Moyo Mquondsi (Zimbabwe).

Email: HenryMc@afrilegal.com **Phone:** +27 82 491 6728

ADDENDUM:

The Principle *Ex Dolo Malo Non Oritur Actio* and Its Ethical and Jurisprudential Link to Matthew 23:15 explained:

1. The Maxim

The maxim ***ex dolo malo non oritur actio*** means “no action arises from deceit” or “a right of action cannot arise from fraud.”

In legal doctrine, the principle establishes that:

- A party cannot found a legal claim upon their own unlawful or fraudulent conduct.
- Courts will not lend their authority to enforce rights arising from illegality or moral turpitude.
- **Public policy prevents the judicial system from becoming an instrument of injustice.**

In South African jurisprudence, the maxim operates as an expression of public policy, legality, and the integrity of the courts. It preserves the moral authority of law by ensuring that legal processes are not manipulated to validate criminal activity.

2. Application to the Present Correspondence

The author of the formal demand implicitly positions **the Peace Commission** as acting in good faith and **in pursuit of constitutional integrity**, rather than from ulterior motive or unlawful intent.

By grounding the demand in:

- Constitutional supremacy,
- Institutional accountability,
- Anti-corruption obligations, and
- International governance standards,

the author seeks to demonstrate that the action is not founded upon malice, deception, political opportunism, or unlawful coercion.

In effect, the author's position is:

The demand for engagement arising from a duty to protect constitutional order, not from any improper cause.

Thus, the maxim becomes relevant defensively, to signal that **the Peace Commission's** claim does **not** arise from fraud, bad faith, or illegality, but from an asserted obligation to **uphold lawful governance**.

When accusations are made honestly and supported by solid evidence, the action follows public policy rather than breaking it.

3. Public Policy and Institutional Integrity

The maxim is closely linked to the broader doctrine that courts and by extension, state institutions, must not:

- Endorse corruption;
- Enable institutional deception;
- Legitimize conduct contrary to constitutional order.

If systemic corruption were concealed or ignored, and state officials were to rely on such concealment to avoid accountability, that would represent precisely the type of conduct the maxim guards against.

In this context, the author's stand is as follows:

- If institutional officials benefit from or conceal unlawful conduct, they cannot rely on that conduct as a shield against examination.
- Lawful accountability mechanisms must remain accessible where governance integrity is at stake.

4. The Ethical Dimension: Matthew 23:15

Matthew 23:15 records a warning delivered by Jesus to religious leaders, condemning hypocrisy: particularly the act of appearing righteous while corrupting others.

The verse condemns the practice of:

- Projecting moral or legal authority outwardly,
- While inwardly perpetuating injustice or corruption,
- And thereby multiplying harm.

In jurisprudential reflection, this passage resonates with the maxim *ex dolo malo non oritur actio* in the following ways:

Legal Principle

Law cannot arise from fraud

Courts must not validate criminal activity

Public institutions must maintain integrity

Ethical Parallel in Matthew 23:15

Authority cannot arise from hypocrisy

Leaders must not disguise corruption as righteousness

Moral leadership requires authenticity

The shared foundation is this:

Authority: whether legal or moral, loses legitimacy when rooted in deception.

5. The Interplay Between Law and Moral Accountability

In constitutional democracies, legality and morality intersect through the principle of **integrity in governance**. While law does not enforce theology, it is historically influenced by moral concepts such as:

- Good faith (*bona fides*),
- Clean hands doctrine,
- Public policy rooted in justice and fairness.

The maxim reflects a legal articulation of a moral truth:

Fraud cannot be the foundation of justice.

Matthew 23:15 expresses the same truth in moral language:

Hypocrisy destroys the legitimacy of authority.

Thus, the author's stance is to be interpreted as asserting:

- **The Peace Commission's** engagements are from a position of good faith and constitutional fidelity;
- It does not seek advantage through deception;
- **It calls upon state leadership to ensure that institutional authority is not compromised by concealed criminal activity.**

6. Doctrinal Foundations and Jurisprudential Context

The maxim *ex dolo malo non oritur actio* is not merely a procedural defence; it is an expression of deeper normative commitments embedded within, South African constitutionalism. It operates alongside cognate doctrines such as:

- The "clean hands" doctrine;
- Public policy limitations on enforcement of unlawful agreements;
- The principle of legality.

In modern constitutional jurisprudence, these doctrines are no longer applied mechanically. Rather, they are interpreted through the prism of constitutional values: dignity, accountability, transparency, and the rule of law.

Thus, the maxim today functions as a safeguard of institutional integrity rather than a rigid technical bar.

The Peace Commission asserts that it acts from constitutional duty and good faith, the implicit jurisprudential right is that:

1. Its demand is not tainted by illegality;
2. It does not seek to derive advantage from wrongful conduct;
3. It invokes oversight mechanisms in order to protect, not subvert, constitutional order.

These premises hold true, so the action falls squarely within the legitimate exercise of civic or institutional accountability.

7. Constitutional Supremacy and the Moral Architecture of Law

South African constitutionalism is value-based rather than purely positivist. The supremacy of the Constitution is not limited to procedural hierarchy; it encompasses substantive commitments to openness, responsiveness, and ethical governance.

The maxim *ex dolo malo non oritur actio* aligns with constitutional supremacy in three material respects:

(a) Legitimacy of State Power

State authority must derive from lawful and rational foundations. Where institutional Officials rely on concealment, manipulation, or systemic corruption, the moral and legal legitimacy of their authority is compromised.

(b) Integrity of Oversight

When conclusive evidence of systemic corruption exists, constitutional Officials are under a duty to ensure that oversight mechanisms are activated. Failure to do so risks

creating a legal paradox: institutions shielded by the very misconduct they are compelled to prevent.

(c) Accountability as a Structural Principle

Accountability is not discretionary. It is structural. The Defence Force, as all organs of state, operates within a constitutional architecture designed to prevent abuse of power.

Thus, **the Peace Commission's** demand must be interpreted not as adversarial confrontation, but as activation of constitutional design.

8. Comparative Ethical: Theological Reflection: Matthew 23:15

Matthew 23:15 forms part of a broader denunciation of performative righteousness; the outward projection of legitimacy coupled with inward corruption.

From a jurisprudential perspective, the passage resonates with the legal doctrine in the following analytical dimensions:

(i) Authority and Authenticity

Legal authority requires authenticity in its foundation. A judicial or executive office cannot maintain legitimacy if sustained by concealed injustice.

The biblical text condemns leaders who multiply harm under the guise of moral authority. The legal maxim similarly denies relief to those who seek judicial endorsement of wrongful conduct.

(ii) Multiplication of Harm

The verse emphasizes the expansion of corruption through institutional hypocrisy. In governance terms, systemic corruption is rarely isolated; it metastasizes through structures.

When corruption infiltrates financial or judicial sectors, its effects are cumulative: undermining public trust, national stability, and constitutional order.

(iii) Hypocrisy and Legal Formalism

A purely formal adherence to legal procedure, without substantive integrity, becomes juridical hypocrisy.

The maxim prevents the law from degenerating into an instrument of technical manipulation detached from justice.

9. The Interrelationship Between Good Faith and Constitutional Remedies

The critical issue is not merely whether the maxim applies, but how it interacts with constitutional remedies.

Three propositions arise:

1. **The Peace Commission acts in good faith**, its invocation of accountability mechanisms is constitutionally protected and normatively justified.
2. **If institutional Officials resist engagement while benefiting from concealed criminal activity**, they risk violating the principle that illegality cannot find lawful protection.

Thus, the maxim operates as a reciprocal ethical standard: binding both accuser and accused.

10. Legitimacy, Oath of Office, and Structural Morality

The Defence Force operates within a constitutional chain of command. The oath of office is not symbolic; it is juridically and ethically binding.

An oath embodies:

- Loyalty to constitutional supremacy;
- Commitment to lawful governance;
- Rejection of corruption or institutional compromise.

Where systemic allegations are raised, silence or inaction raises questions concerning institutional responsiveness.

The maxim underscores that institutional authority cannot shield itself through procedural delay if confronted with substantiated illegality.

11. Synthesis

The maxim *ex dolo malo non oritur actio* and Matthew 23:15 converge upon a shared normative foundation:

- Deception cannot produce legitimate authority;
- Hypocrisy corrodes institutional credibility;
- Justice requires congruence between outward form and inward substance.

In the context of **the Peace Commission's demand**:

- The Peace Commission positions itself as acting in good faith to protect constitutional order.
- It implicitly asserts that accountability mechanisms cannot be obstructed by reliance on concealed misconduct.
- It frames the issue as one of institutional integrity rather than political contestation.

At advanced jurisprudential level, the matter ultimately concerns **the moral coherence of constitutional governance**: whether public institutions remain faithful to the foundational commitment that legality and integrity are inseparable.

Public policy prevents the judicial system from becoming an instrument of injustice.

In South African jurisprudence, the maxim operates as an expression of public policy, legality, and the integrity of the courts. It preserves the moral authority of law by ensuring that legal processes are not manipulated to validate criminal activity.

12. Conclusion

The principle *ex dolo malo non oritur actio* underscores that legal claims must arise from lawful and bona fide conduct.

In the context of the formal demand:

- The author frames the correspondence as an exercise of constitutional duty rather than improper motive.

- The maxim reinforces that accountability cannot be obstructed by relying on concealed illegality.
- The ethical warning in Matthew 23:15 parallels the legal doctrine by condemning authority that is outwardly legitimate but inwardly corrupt.

Both the legal maxim and the biblical passage ultimately converge on a single foundational proposition:

Legitimacy: whether legal, institutional, or moral, cannot be built upon deception.



Henry William McCarter
Chairman



The Pan-African Peace Commission

25th July 2026



OPEN LETTER IN THE PUBLIC INTEREST

EMAILED TO THE RECIPIENTS HEREUNDER

EXBIHIT J

NOTICE AND CALL TO CONSTITUTIONAL ORDER

**TO THE SOUTH AFRICAN NATIONAL DEFENCE FORCE, SANDF,
ALL MEMBERS OF THE SECURITY SERVICES, THE JUDICIARY,
LAW ENFORCEMENT, ALL PUBLIC SERVANTS, AND
CONSTITUTIONAL OFFICE-BEARERS IN TERMS OF
THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA.**

TAKE NOTICE

This Notice constitutes a formal **Call to Constitutional Order** and serves as a lawful notice that all public authority derives exclusively from the Constitution and that every **public servant, office-bearer and official** exercising public office is accountable to the Constitution, the Rule of Law and the people of the Republic. Public office is a constitutional trust exercised on behalf of the people, and not an instrument of personal, political or institutional gain or allegiance in terms of sections 195 and 197 of the Constitution.

No office, no command, no directive and no instruction, even from the Commander in Chief, may lawfully supersede the Constitution.

CONSTITUTIONAL SUPREMACY

Section 2 of the Constitution provides:

"This Constitution is the supreme law of the Republic; law or conduct inconsistent with it is invalid, and the obligations imposed by it must be fulfilled."

○ Every organ of state is therefore under a continuing constitutional obligation to act only within the powers conferred by the Constitution.

THE CONSTITUTIONAL MANDATE OF THE SANDF

Section 200(2) provides:

"The primary object of the defence force is to defend and protect the Republic, its territorial integrity and its people in accordance with the Constitution and the principles of international law regulating the use of force."

Accordingly:

- the SANDF exists to defend the Republic;
- the SANDF exists to defend the constitutional order;
- the SANDF exists to protect the people of South Africa;
- the SANDF does not exist to provide personal allegiance to any President, political party, criminal cartel or individual.

Every member of the Defence Force owes allegiance to the Constitution not any office-holder.

EXHIBIT A

Annexed hereto as **Exhibit A** is a public statement made by a SANDF person asserting that the function of the security services is to protect the President.

Exhibit A accurately reflects such intention, and that intention must be interpreted subject to the Constitution.

No public statement may amend, override or diminish the constitutional mandate prescribed in sections 199 and 200 of the Constitution.

To the extent that any interpretation of **Exhibit A** suggests that the SANDF owes primary loyalty to the President personally rather than to the Constitution and the Republic, such interpretation is inconsistent with the Constitution and is without legal force.

DUTIES OF ALL RECIPIENTS

Every recipient of this Notice is reminded that constitutional obligations arise independently of rank, office or institution.

Accordingly, every recipient is called upon, within the scope of his or her lawful authority and professional responsibilities, to:

- uphold and defend the Constitution;
- reject unconstitutional interpretations of public power;
- ensure that constitutional obligations are understood within their respective institutions;
- bring constitutional concerns to the attention of appropriate UNCOMPROMISED supervisory, legal or oversight authorities;
- exercise every public function lawfully, impartially and in good faith.

This **Call to Constitutional Order** extends to Heads of and members of:

- the South African National Defence Force;
- the South African Police Service;
- the State Security Agency;
- the National Prosecuting Authority;
- the Judiciary;
- all constitutional institutions;
- every organ of state, INCLUDING all established under the Constitution;

CONSTITUTIONAL AUTHORITIES

This Notice is supported by, *inter alia*:

Constitution of the Republic of South Africa, 1996

Sections 1(c), 2, 7(2), 8, 165, 195, 198, 199 and 200.

Defence Act 42 of 2002

governing the organisation, command and employment of the Defence Force under constitutional authority.

Constitutional Court Authorities

- *Fedsure Life Assurance Ltd v Greater Johannesburg Transitional Metropolitan Council* 1999 (1) SA 374 (CC).
- *Pharmaceutical Manufacturers Association of SA: In re Ex Parte President of the Republic of South Africa* 2000 (2) SA 674 (CC).
- *President of the Republic of South Africa v South African Rugby Football Union* 2000 (1) SA 1 (CC).
- *Economic Freedom Fighters v Speaker of the National Assembly and Others; Democratic Alliance v Speaker of the National Assembly and Others* 2016 (3) SA 580 (CC).

These authorities affirm that all public office is derived from, limited by, and accountable to the Constitution.

INTERNATIONAL LAW

This Notice is consistent with the constitutional requirement that South Africa respect international law, including:

- the Charter of the United Nations;
- the Universal Declaration of Human Rights;
- the International Covenant on Civil and Political Rights;
- the African Charter on Human and Peoples' Rights;
- **the principles of democratic civilian control of armed forces reflected in international law and practice.**

CALL TO ORDER

Every recipient is hereby called upon to reaffirm, by conduct, that:

1. The Constitution is supreme.
2. The Republic is above every office-holder.
3. The people are sovereign under the Constitution.
4. Public office exists only to serve the Republic.
5. Every unlawful order must be declined through lawful constitutional processes.

6. No President, Minister or public official may lawfully command conduct contrary to the Constitution.
7. Every exercise of military and public authority remains reviewable by the courts.

NOTICE

This Notice is issued peacefully, lawfully and in defence of constitutional democracy. Its object is neither political nor partisan.

Its sole purpose is the preservation of constitutional governance, compliance to the Rule of Law, and the continued protection of the Republic and all its people.

NOTICE REGARDING CONSTITUTIONAL ACCOUNTABILITY

Every recipient is further reminded that any breach of constitutional obligations and or persistent and deliberate non-compliance may give rise to civil, disciplinary and criminal liability in accordance with the Constitution and the laws of the Republic.

Where conduct intended to subvert, undermine or unlawfully replace the constitutional order is established by an independent and competent judicial process, such conduct may, depending upon competent evidence and applicable law, constitute offences recognised under South African law, including where appropriate, the common-law crime of *high treason* or other serious statutory offences.

Recipients are accordingly placed on notice that participation in unconstitutional conduct, corruption, abuse of public office, or the implementation of unlawful instructions may attract personal, legal, and criminal accountability, irrespective of rank or office.

SPECIAL INVESTIGATING UNIT (SIU)

The Special Investigating Unit ("SIU") derives its authority from section 2 of the Special Investigating Units and Special Tribunals Act 74 of 1996 and from Presidential Proclamations issued under that Act. Its statutory mandate is to investigate serious maladministration, corruption, unlawful expenditure of public funds and related misconduct within state institutions.

Until today they have remained silent on the misappropriation of R65,000,000 (sixty-five million ZAR) of state funds by the SANDF, notwithstanding *prima facie* evidence provided to the Presidency, Heads of SANDF, and Heads of all law enforcement in the Peace Commission report dated 25th June 2026.

MADLANGA COMMISSION OF INQUIRY

In the interests of constitutional accountability, transparency and the administration of justice, this Notice respectfully calls upon the Madlanga Commission of Inquiry, insofar as the subject matter falls within its terms of reference and lawful mandate, to receive and consider the findings and evidential material contained in the Peace Commission Report dated 25 June 2026. If, upon such consideration, the Commission is satisfied that the *prima facie* material discloses credible evidence of serious constitutional, financial or institutional misconduct, it is respectfully submitted that those matters should be examined in public proceedings to the extent permitted by law. Public confidence in constitutional institutions is best served where serious allegations supported by *prima facie* evidence are subjected to independent, transparent and judicial scrutiny, with all affected persons afforded procedural fairness and an opportunity to be heard.

Notice to agent is notice to principal, notice to Principal is notice to agent.

LET THIS NOTICE STAND AS A FORMAL CALL TO CONSTITUTIONAL ORDER.

THE RULE OF LAW SHALL PREVAIL. THE REPUBLIC SHALL BE DEFENDED.

Sincerely,



Henry William McCarter
Chairman



Restoration of Justice is our duty. Truth is our guide. Perpetual Peace and Prosperity for all is our mission.

Executive Council:

Dr. Henry McCarter LLD Hon. (Chairman), HRM Makikele II (Vice-Chairman), HRM Mervyn Dunn, P.M. Dingizwe Manyaka, Lt. Cmdr. Sylvester Mangolele, Nkosi Thulasizwe Ngcobo, Dr. Paolo Brogneri, Dr. Faiez Kirsten, Mrs. Michelle Tovey, Mr. Jannie Meyer, Mr. Ronald Plaatjies, Mr. Phakamani Dlamini, Mr. Cobus Pieterse, HRH Nolubabalo Mcinga, Dr. Grant Satram, Dr. Melanie Wepenaar, Mr. Malungelo Mgolombane, Mr. Godfrey Ngalo, HRM Queen Mashanini; Mr. Denzil Usher, Mr. John Schoemann: (Lead Researcher), Dr. E.K. Gordon-Dudu: (Constitutional Guardian):

Pan-African Region: HRM. Kelvin Morgan (Business Upliftment and & Youth Leader; **Ghana**), HRM King Kalongo Sosola VIII (Malawi) Mr. Andre Gomes (Angola), Mr. Lennox Sola (Botswana), HRH. Mduduzi Dlamini (Eswatini), Mr. Elisio Faela (Mozambique), HRH. Norberth Tjombode, Adv. E Ndala (Namibia), Mr. John Matsora (Lesotho), Mr. Godfrey Ngalo, Mr. Moyo Mqondsi (Zimbabwe), Prof. Ken G. Morka (Nigeria), Mr. Michael Teekay (Liberia), Mr. Abdulmajid Oyewumi (Ambassador Extra-Ordinaire: Nigeria),

Youth Council: HRM Siyabonga Mkhize, HRM Queen Boresah Fantevie (Ghana), Adv. Rolland Shabangu,

Location: Sandton, South Africa

Email: PeaceCommission@afrilegal.com

Mobile: +27 82 491 6728

And to:

The President of the Republic of SA

president@presidency.gov.za

Inspector-General of Intelligence:

info@oigi.gov.za

The Joint Standing Committee on Intelligence:

asombexe@parliament.gov.za

Portfolio Committee on Defence:

azindlani@parliament.gov.za

The Minister of Justice:

Ministry@justice.gov.za

The Speaker of Parliament:

info@parliament.gov.za

Public Protector of South Africa:

enquiries@pprotect.org

Auditor-General of South Africa:

agsa@agsa.co.za

Directorate for Priority Crime Investigation:

DPCIHEAD@saps.gov.za

National Prosecuting Authority:

ndpp@npa.gov.za

Special Investigating Unit (SIU):

info@siu.org.za

The Asset Forfeiture Unit:

Inongogo@npa.gov.za

Head of Serious Crime and Corruption:

FlynnHF@saps.gov.za

Madlanga Commission:

MkhwanaziZ@saps.gov.za

Independent Police Investigative Directorate:

jntlatseng@ipid.gov.za

Revelation 18.4

Nothing contained in this Notice should be construed as questioning the lawful authority of the President as Commander-in-Chief exercised in accordance with the Constitution. Rather, this Notice affirms the constitutional principle that every public office, including military command, exists only within, and remains subject to, the Constitution, the Rule of Law and judicial oversight.

AFFIDAVIT

1.

I, Gail Engelbrecht, state under oath in English:

2.

I am a South African female with ID number 6401290140080. I reside temporarily at Silonque Estate Phalaborwa Limpopo. Contact details Cell --, 0660406306

3.

The facts herein deposed to, are within my personal knowledge and are true and correct.

4.

During the latter part of 2025 I had to collect documents from the Phalaborwa Home Affairs in Phalaborwa. Whilst standing in the queue waiting to be attended to, I met a Permanent Female member of the South African Defense force who was / is based at 7 SAI Military Base in Phalaborwa.

5.

We engaged in general conversation, which revolved mostly around the work that Female Permanent Military force members do.

6.

The Female Permanent Force Member informed me that they are responsible for ensuring the Safety and Protection of the President of South Africa.



Page 1 of 2

7.

I informed this Female Permanent Force member that their duties also include protecting the Country and the people of the Country. The Permanent Force Member informed me that I was incorrect and that their only duty is to protect the President of South Africa.

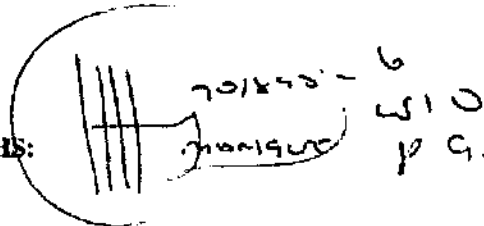
8.

I know and understand the contents of this declaration. I have no objection to taking the prescribed oath. I consider the prescribed oath to be binding on my conscience.

GF Engel.
DEPONENT

I certify that the deponent has acknowledged that she knows and understands the contents of this declaration, which was sworn to before me and the deponent's signature was placed hereon in my presence at PHALABORWA on this the 21st day of JULY 2026.

COMMISSIONER OF OATHS:

 7018936-6
W10
p 9.

SERVICE NUMBER:

7018936-6

LOCATION:

24 SEATI ROAD
PHALABORWA SAPS

The National Head
Directorate for Priority Crime Investigation (DPCI / Hawks)
Private Bag X848
Pretoria, 0001

EXHIBIT K

RE: MANDATORY REFERRAL IN TERMS OF SECTION 34 OF THE PREVENTION AND COMBATING OF CORRUPT ACTIVITIES ACT, ACT 12 OF 2004 (PRECCA) ALLEGED FRAUD, CORRUPTION AND MISAPPROPRIATION OF PUBLIC FUNDS: SADIC KOEPEL PROJECT

Case Reference: CASO 03/10/2024

IG Report Reference: DEF INSP DIV/C/501/16/5/1/4

Dear National Head,

1. AUTHORITY AND OBLIGATION TO REFER

This referral is made in terms of Section 34(1) of the Prevention and Combating of Corrupt Activities Act, Act 12 of 2004 (PRECCA), which imposes a mandatory obligation on any person who holds a position of authority and who knows or ought reasonably to have known or suspected that any other person has committed a corrupt offence under PRECCA, to report such knowledge or suspicion to the South African Police Service as soon as possible.

The referring party additionally draws the Hawks' attention to the following authority on the prosecutorial threshold applicable to this referral:

National Director of Public Prosecutions v Sijoyi Robert Mdhlovu [2024] ZASCA 85; 2024 (2) SACR 331 (SCA) is directly relevant to the urgent nature of this referral. The Supreme Court of Appeal held that:

- (a) the test for reasonable and probable cause to prosecute is objective;
- (b) a prosecutor does not need evidence establishing a prima facie case or proof beyond reasonable doubt before deciding to institute prosecution;

- (c) the question is what a reasonable prosecutor would have done on the information available at the relevant stage; and
- (d) a prosecutorial decision may properly be made while certain evidential matters remain subject to further investigation — the existence of outstanding investigative questions is not synonymous with the absence of reasonable grounds for prosecution.

The present referral is accordingly made on the basis that the evidentiary record is sufficiently developed to warrant an immediate prosecutorial determination, notwithstanding that certain investigative steps - including the identification of "Mr Luke from DI" and the forensic reconciliation of the precise quantum paid to Mothapo - remain outstanding. Those outstanding matters are the subject of the specific investigative requests at section 5 below. They do not prevent, and should not delay, the Hawks' immediate engagement with the matters already evidenced.

This referral is additionally made pursuant to Section 38(1)(g) of the Public Finance Management Act, Act 1 of 1999 (PFMA), which requires accounting officers to report irregular, fruitless and wasteful expenditure to the relevant authorities; and in terms of the recommendations of the Inspector General of the Department of Defence set out in his investigation report DEF INSP DIV/C/501/16/5/1/4 dated 19 March 2026, which expressly recommends referral of this matter to the Hawks for further investigation and recovery proceedings.

2. BACKGROUND

The Department of Defence (DOD) entered into a Memorandum of Agreement (MOA) with the Development Bank of Southern Africa (DBSA) on 1 July 2019, under which DBSA was appointed as implementing agent for infrastructure development projects at the South African Defence Intelligence College (SADIC) facilities. The relevant project concerned the upgrading of the Koepel Conference Facility at SADIC (contract reference RFP265/2020, contract value R43.7 million, total estimated project cost R65,871,238.13).

In October 2021, the DOD transferred R46,523,815.86 to DBSA's bank account for project implementation. DBSA in turn made payments to Mothapo Construction and Engineering

as primary contractor. The project was not completed. On 5 July 2024, DBSA terminated Mothapo's contract after an investigation revealed that Mothapo had submitted forged documents as evidence of progress to DBSA. A replacement contractor (Moke Construction and Projects) was appointed in November 2024 at a further cost of R12,175,904.96.

3. SUSPECTED OFFENCES AND FACTUAL BASIS

3.1 Fraud — Mothapo Construction and Engineering

The following facts disclose reasonable grounds to suspect that Mothapo Construction and Engineering committed fraud within the meaning of PRECCA and common law:

- a. Mothapo submitted forged documents to DBSA as evidence of project progress, in order to obtain payment for works not performed. This is confirmed in the DBSA termination letter of 5 July 2024 (Appendix O of the IG Report).
- b. Mothapo received payment in the approximate range of R29 million to R36 million (the exact figure requires forensic reconciliation of DBSA's disbursement ledger) for works that were materially incomplete at termination.
- c. Mothapo failed to pay its own employees during the contract period, causing a work stoppage. The receipt of substantial state funds whilst failing to pay employees and failing to perform contracted works is consistent with diversion of project funds for other purposes.
- d. No close-out report was ever produced, confirming that the contracted scope was not completed despite full payment having been made.

3.2 Unidentified Financial Authorisation Officer — "Mr Luke from DI"

This is the most critical unresolved factual issue in the matter. Lt Col W.J. Strydom (SO1 Quantity Surveying, Defence Works Formation), in his sworn interview evidence recorded by the IG investigators on 23 January 2025, stated as follows:

"DOD paid monies directly into DBSA account for the project at SADIC. Mr Luke from DI creates the FA."

Lt Col W.J. Strydom (89399257PE), interview record 23 January 2025, IG Report para 37(f)

"FA" refers to Financial Authorisation - the instrument by which the R46,523,815.86 was authorised for transfer from DOD to DBSA. "DI" refers to Defence Intelligence. "Mr Luke" is the only identification given for this individual in any document reviewed. His or her full name, rank, title and official capacity have not been established in the Inspector General's report.

The creation of a Financial Authorisation of R46 million for a single transfer, without evidence of milestone-linked approval or dual-signatory controls, constitutes a potential breach of PFMA s45 and Treasury Regulation 8.1. If this authorisation was created knowing that the underlying procurement process was irregular or that funds would be disbursed without adequate controls, it may additionally constitute a corrupt activity within the meaning of PRECCA s4 (corrupt activities relating to contracts).

The Hawks are respectfully requested to establish the full identity of "Mr Luke from DI" as a matter of the highest investigative priority.

3.3 DBSA — Potential Facilitation of Fraud

The following conduct by DBSA officials discloses grounds for investigation into whether any DBSA official knowingly facilitated or received benefit from Mothapo's fraudulent scheme:

- a. DBSA accepted forged documents from Mothapo without independent authentication from the originating professional authority (architect, engineer, or quantity surveyor).
- b. DBSA released payments to Mothapo without independent physical verification that the works claimed had been completed.

- c. DBSA paid Mothapo in full, in disregard of the contractual retention clause (MOA paragraph 11.1.2) which expressly required 10% to be withheld until project completion and submission of a close-out report.
- d. Mr Chuene Ramphela, Group Executive for Infrastructure Delivery at DBSA, simultaneously held appointment authority over Mothapo, disbursement authority, and administrative oversight of documentation — a complete absence of separation of duties. No conflict of interest declaration in respect of Mothapo is evidenced.
- e. The pattern of accepting forged documents and releasing full payment, without independent verification at any stage, is consistent with either gross institutional negligence or active facilitation. Criminal investigation is required to determine which.

3.4 DOD Officials — Procurement Bypass

The following conduct by DOD officials requires investigation:

- a. Maj Gen M.J. Ledwaba approved the engagement of DBSA as implementing agent without a competitive procurement process and without making any recorded remarks or producing any written justification. This is a direct breach of Section 217(1) of the Constitution and potentially of PRECCA s4 (corrupt activities relating to contracts) if the approval was influenced by any improper consideration.
- b. Lt Col Krige Van Heerden issued an email on 9 September 2020 as the authority for DBSA to act as project manager. An email from a Lt Col is not a valid procurement instrument for a R65 million infrastructure project. Its use as such requires investigation.
- c. The DOD Accounting Officer for the relevant financial period failed to monitor DBSA's compliance with the MOA, failed to report irregular expenditure to National Treasury and AGSA, and failed to initiate recovery proceedings

against Mothapo. This person must be identified and their conduct investigated under PFMA s86, which provides for criminal liability.

4. SUMMARY OF PERSONS OF INTEREST

Person	Organisation / Title	Suspected Conduct	PRECCA / PFMA Provision
Mothapo Construction and Engineering	Primary contractor	Fraud — forged documents; receipt of payment for incomplete works; possible fund diversion	PRECCA s3 (corruption); common law fraud; PFMA s38
Mr C. Ramphela	DBSA — Group Executive, Infrastructure Delivery	Potential facilitation of fraud; collapse of separation of duties; breach of fiduciary duty; accepted forged documents without verification	PRECCA s3/s4; MOA s13.4; PFMA s45
"Mr Luke from DI" (full identity unknown)	DOD / Defence Intelligence — created Financial Authorisation	Created FA for R46m transfer — authority level, basis, and whether any improper consideration was involved, require investigation	PFMA s45; PRECCA s4; Treasury Reg 8.1
Maj Gen M.J. Ledwaba	DOD — Senior approving official	Approved DBSA without competitive process, no recorded justification — Constitution s217 breach; possible PRECCA s4 exposure	Constitution s217; PRECCA s4; PFMA s86
Lt Col Krige Van Heerden	DOD — Issued email "PM authority"	Used email as procurement instrument at insufficient authority level — basis and intent require investigation	PFMA s38; Treasury Reg 16A
DOD Accounting Officer (unnamed)	DOD — PFMA s38 accounting authority	Failed to safeguard public funds; failed to report irregular expenditure; failed to initiate recovery — personal criminal liability	PFMA s86; PFMA ss38, 45
Unnamed DBSA payments officer(s)	DBSA — payments processing	Processed payments accepting forged documents — whether knowingly or	PRECCA s3; MOA s13.4

Person	Organisation / Title	Suspected Conduct	PRECCA / PFMA Provision
		negligently requires investigation	

5. SPECIFIC INVESTIGATIVE REQUESTS

The referring party respectfully requests that the Hawks investigate the following specific matters:

1. Establish the full identity, rank, title and official capacity of "Mr Luke from DI" who is named by Lt Col Strydom as having created the Financial Authorisation for the R46,523,815.86 transfer. Interview this individual under caution and investigate the basis and circumstances of the FA's creation.
2. Conduct a forensic examination of DBSA's disbursement ledger and payment records to determine the exact quantum paid to Mothapo Construction and Engineering, and reconcile this against independently verified works completed.
3. Secure and forensically examine the forged documents submitted by Mothapo to DBSA, including establishing who created them, when, and with what knowledge on the DBSA side they were accepted.
4. Investigate whether any DBSA official received any financial benefit, inducement or other consideration from Mothapo Construction and Engineering in connection with the Project or with the payment releases.
5. Identify the DOD Accounting Officer responsible for the relevant financial period and investigate that person's conduct for potential PFMA s86 criminal liability.
6. Investigate the circumstances of Maj Gen Ledwaba's approval of DBSA without competitive procurement — specifically whether any improper consideration or corrupt influence was brought to bear on that decision.
7. Investigate all financial flows associated with the Project, including any payments to related parties, sub-contractors, or consultants that may not be evidenced in the primary documentation.

6. DOCUMENTS ATTACHED TO THIS REFERRAL

Exhibits as per the Madlanga Evidential Report;

6A. AUTHORITY ON PRECAUTIONARY SUSPENSION - LONG v SOUTH AFRICAN BREWERIES

The referring party further draws the Hawks' attention to the following authority directly relevant to the precautionary suspension steps requested in parallel with this criminal referral:

Long v South African Breweries (Pty) Ltd and Others [2019] ZACC 7; 2019 (5) BCLR 609 (CC) — The Constitutional Court held that precautionary suspension is distinct from punitive suspension and is permissible where it serves to protect the integrity of an ongoing investigation. The Court further accepted that a pre-suspension opportunity to make representations is not necessarily required in genuinely precautionary circumstances. This authority supports the immediate suspension of implicated officials simultaneously with this criminal referral, as set out in Section A of the consolidated submission package PC-SADIC-MASTER-2025-001.

MEC for Education, North West Provincial Government v Gradwell [2012] ZALAC 8; [2012] 8 BLLR 747 (LAC) — The Labour Appeal Court confirmed that precautionary suspension operates as a protective "holding operation" where continued workplace presence may compromise the investigation, and emphasised that the purpose is the protection of the integrity of the investigative process. This authority is particularly compelling in the present matter because the allegations directly concern Defence Intelligence, financial authorisation mechanisms, procurement systems and potentially sensitive classified information — categories in which continued access by implicated officials creates an objectively heightened risk.

The referring party accordingly submits that the precautionary suspension of implicated serving officials should proceed immediately and concurrently with this criminal referral, rather than being deferred until after the investigation is complete. Deferral of suspension defeats the precautionary purpose.

7. UNDERTAKING

The referring party undertakes to co-operate fully with the Hawks investigation, to produce any further documentation in its possession on request, and to make available any persons with relevant knowledge for interview. The referring party confirms that this referral is made

in good faith, on reasonable grounds, and in fulfilment of the mandatory reporting obligation under PRECCA s34.

Yours sincerely,



Henry William McCarter
Chairman: Pan-African Peace Commission
Ambassador: African Diaspora Union

Classification: CONFIDENTIAL | PRECCA s34 Mandatory Referral | Ref: MC-SUB-SADIC-2025-001



The Pan-African Peace Commission

10th August 2026



AUDITOR-GENERAL OF SOUTH AFRICA - *Auditing to build public confidence*

Mr. Eduard Coetzee
Senior Manager: Audit • National C
Email: ecoetzee@agsa.co.za

Ms. Michelle Magerman
Business Unit Leader
Email: MichelleMag@agsa.co.za
KNaicker@agsa.co.za

Dear Mr. Coetzee and Ms. Magerman,

We note your advice that the Auditor-General of South Africa ("AGSA") intends to consider 'governance concerns' as part of its regularity audit.

Will not investigate the *prima facie* evidence of fraud at SADIC, on the basis that such investigations fall more appropriately within the mandate of investigative bodies, including the Public Protector ("PP") and the Special Investigating Unit ("SIU").

However, the reference to "governance concerns" requires further clarification. In its present formulation, the term is insufficiently specific and leaves considerable uncertainty as to the nature, scope and intended purpose of the proposed audit intervention.

We, too, have significant 'public concerns' regarding the irregularities and corruption at SADIC. It is therefore important to understand precisely what AGSA means by "governance concerns", particularly in circumstances where those concerns may extend beyond procedural or administrative deficiencies and potentially implicate financial misconduct, maladministration, failures of internal control, procurement irregularities and the broader accountability framework applicable to a public entity.

In this regard, we respectfully request that AGSA clarify:

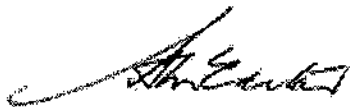
1. what specific matters will be encompassed by the term “governance concerns”;
2. whether the regularity audit will assess the adequacy and effectiveness of SADIC’s governance, internal controls, financial management, procurement processes and oversight mechanisms;
3. whether any findings indicative of fraud, corruption, financial misconduct or material irregularity will be identified and reported in accordance with AGSA’s statutory mandate;
4. what remedial or enforcement measures may follow should the audit identify material governance failures or other irregularities; and
5. **how, in practical terms, the proposed consideration of “governance concerns” is intended to contribute to preventing, detecting and ultimately stemming the tide of corruption at SADIC.**

We appreciate that AGSA’s statutory mandate does not necessarily extend to conducting criminal or forensic investigations, and we do not suggest that AGSA should usurp the functions of the PP, SIU or other competent investigative authorities. Our concern, rather, is to ensure that matters falling within AGSA’s audit mandate are not rendered ineffective by the broad and undefined characterisation of the concerns as merely “governance” issues.

Given the seriousness of the *prima facie* evidence and the public-interest implications arising therefrom, it would be appreciated if AGSA could provide greater specificity regarding the scope of the governance issues to be considered, the manner in which they will be assessed, and the manner in which any material findings will be dealt with and reported.

Such clarification is necessary to enable affected and concerned members of the public to understand whether the proposed audit response will meaningfully address the systemic governance failures that may have facilitated or permitted the alleged irregularities, rather than merely record them as matters of administrative concern.

Sincerely,



Henry William McCarter
Chairman



Restoration of Justice is our duty. Truth is our guide. Perpetual Peace and Prosperity for all is our mission.

Executive Council:

Dr. Henry McCarter LLD (Hon.) (Chairman), HRM Makikele II (Vice-Chairman), HRM Mervyn Dunn, P.M. Dingizwe Manyaka, Lt. Cmdr. Sylvester Mangolele, Nkosi Thulasizwe Ngcobo, Dr. Paolo Brogneri, Dr. Faiez Kirsten, Mrs. Michelle Tovey, Mr. Jannie Meyer, Mr. Ronald Platjies, Mr. Phakamani Dlamini, Mr. Cobus Pieterse, HRH Nolubabalo Mcinga, Dr. Grant Satram, Dr. Melanie Wepenaar, Mr. Malungelo Mgolombane, Mr. Godfrey Ngalo, HRM Queen Mashanini; Mr. Denzil Usher, Mr. John Schoemann: (Lead Researcher), Dr. E.K. Gordon-Dudu: (Constitutional Guardian):

Pan-African Region: HRM. Kelvin Morgan (Business Upliftment and & Youth Leader; **Ghana**), HRM King Kalongo Socola IX (**Malawi**) Mr. Andre Gomes (**Angola**), Mr. Lennox Sola (**Botswana**), HRH. Mduduzi Dlamini (**Eswatini**), Mr. Elisio Faela (**Mozambique**), HRH. Norberth Tjombode, Adv. E Ndala (**Namibia**), Mr. John Matsora (**Lesotho**), Mr. Godfrey Ngalo, Mr. Moyo Mqondsi (**Zimbabwe**), Prof. Ken G. Morka (**Nigeria**), Mr. Michael Teekay (**Liberia**), Mr. Abdulmajid Oyewumi (Ambassador Extra-Ordinaire: **Nigeria**),

Youth Council: HRM Siyabonga Mkhize, HRM Queen Boresah Fantevie (**Ghana**), Adv. Rolland Shabangu,

Location: Sandton, South Africa

Email: PeaceCommission@afrilegal.com

Mobile: +27 82 491 6728



AUDITOR-GENERAL
SOUTH AFRICA

To: Dr. Henry William McCarter LLD
Chairman of the Pan-African Peace Commission
Ambassador of the African Diaspora Union
E-mail: HenryMc@Afrilegal.com

11 August 2026

Dear Dr McCarter

Re: Request for urgent ministerial investigation arising from the Inspector-General Investigation report concerning alleged fraud, corruption, and misappropriation of funds at the South African Defence Intelligence Collage (SADIC) – Case No. 03/120/2024.

I refer to your correspondence dated 25 June 2026, addressed to the Minister of Defence, in which you also shared with the Auditor-General of South Africa (AGSA) in its capacity as a Chapter 9 Institution, regarding governance-related matters within the department.

In terms of the Public Audit Act 25 of 2004 (PAA), the Auditor-General South Africa (AGSA) has a constitutional mandate to audit and publicly report on the accounts, financial statements and financial management of all government departments, municipalities and municipal entities, as well as selected public entities. In terms of section 5(1) of the PAA, the AGSA has the discretion to perform other audit-related services, which are secondary to the core function (regularity audit). These audit-related services include the discretion to perform appropriate investigations or special audits, as stipulated in section 5(1)(d) of the PAA.

The regularity audit is vastly different from an investigation. The primary objective of regularity audits is to provide reasonable (not absolute) assurance that the financial statements do not contain material misstatements. Regularity audits also provide limited assurance that an auditee complied with key legislation. The evidence gathered for regularity audits is therefore persuasive in nature and is not gathered with the intention to determine the impact of a finding. The statutory timelines applicable to regularity audits and the inherent limitation of the audit process prevent us from reaching these in-depth conclusions.

An investigation, however, implies an organised, detailed and critical examination of the books of accounts and transaction records (both past and present) of an entity, conducted by a team of experts to determine the facts behind a particular situation or to uncover the truth. An investigation therefore requires the gathering of factual evidence that is sufficient to conclude on who is responsible, whether losses had been suffered, and if fraud or theft might have been committed. Investigations are not time-bound, which allows for conclusive evidence to be obtained to either confirm or refute the allegations investigated.

With this in mind, we have assessed your request for our intervention, on concerning issues around the governance of certain projects at the Department of Defence and the Development Bank of Southern Africa, and wish to inform you that the AGSA has taken note of the concerns and will include matters you have highlighted to us as part of the regularity audit of the Department of Defence and the Development Bank of Southern Africa's 2026-27 audit cycle.

We also take note that you have shared these concerns with the Special Investigating Unit, Public Protector of South Africa, and various other state institutions, therefore the AGSA will not conduct a separate investigation as these bodies will be best placed to deal with investigative matters.

Thank you for reporting these matters to the AGSA.

Yours sincerely



Michelle Magerman
Business Unit Leader
Auditor-General South Africa

Enquiries: Eduard Coetzee
Senior Manager: National C Business Unit
Tel: 071 261 3992
Email: ECoetzee@agsa.co.za