

Contract at Zuma's home came in nick of time for security firm

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The contractor who was paid millions to install security for President Jacob Zuma's Nkandla estate in KwaZulu-Natal also has 16 other government tenders behind his name.

Elliot Magubane, owner of E Magubane cc, received almost R10 million to install a security system at Nkandla. According to the Companies and Intellectual Property Registration Office (Cipro), Magubane founded his company in 2006 and it appears he was about to cease business when he got the Nkandla tender.

According to documents in the possession of City Press, the Nkandla tender was awarded to Magubane on August 17 2011 and, according to Cipro records, he withdrew his "deregistration" application six days later.

In the course of a comprehensive search, City Press also learnt that Magubane has landed 16 other state tenders and, although the amounts are unknown, the total will no doubt amount to millions.

Anchen Dreyer, a DA MP and spokesperson on Public Works, said it appears "that the same people who have a positive relationship with government" benefit over and over from government tenders.

"It's always the same people (who get the tenders). How does this empower small companies that are paralysed by all kinds of rules and regulations?" she asked.

The most recent state tender that City Press knows about was awarded to Magubane in June 2012. This is for nearly R1.3 million for closed-circuit television cameras and an alarm system for the department of agriculture and rural development in Mpumalanga.

The bid amounts were published and it is shown that Magubane's tender was only the fourth lowest. When asked, Magubane could not explain why he was given the contract, even though his tender was not the cheapest. "I just received a letter saying it had been awarded to me," he said.

On Friday, City Press asked him about all his government contracts and how he had managed to build up such a huge business empire within seven years. He denied he only does work for government, but apart from government projects, there are no other "clients" listed on Magubane's website.

In addition, Nkandla is not the first national key point where Magubane has installed safety systems.

According to his website, he has gained tender bids for similar projects at the Union Buildings in Pretoria, the presidency in Pretoria, VIP guesthouses and Mahlamba Ndlopfu, the president's official residence in Pretoria.

There is even a picture of the Union Buildings on the website.

Magubane appears to be an influential businessman. In 2010, he was invited for a trade visit to Turkey. His name appears with those of Popo Molefe (former premier of North West and Armscor chairman until 2011), billionaire

16

The number of government tenders that have been linked to Elliot Magubane's company

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— ANCHEN DREYER

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Patrice Motsepe and his sister, Bridgette Radebe, on a list of people invited to that country.

But Magubane is not the only Nkandla contractor who has landed other government tenders.

Betafence Projects, which was paid R9.2 million for the security fence at Nkandla, also put up the fences at all 15 stadiums used during the 2010 soccer World Cup.

Igoda Consulting Engineering, an electrical engineering company at the Nkandla project, previously also provided services at King Shaka International Airport and Moses Mabhida Stadium in Durban.

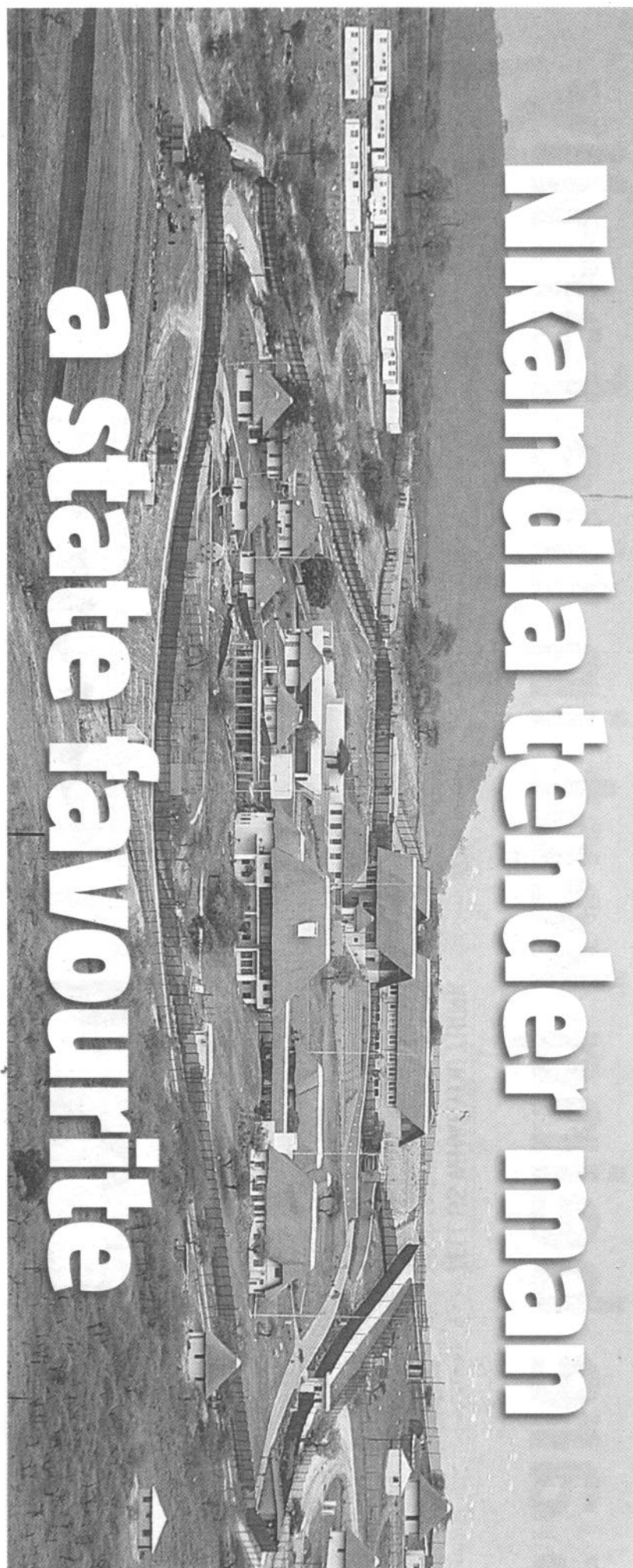
Ramcon, which was paid R5 million for "project management" at Nkandla, previously managed projects for government at Richards Bay harbour and for the upgrading of five airports.

The DA's Dreyer has been trying for weeks to get answers from Public Works Minister Thulas Nxesi and Zuma about the Nkandla improvements, which have cost taxpayers at least R210 million.

Information obtained by Dreyer shows that R49 million was spent just on consultants, one of them a consultant who was paid R16.6 million.

During a question-and-answer session in Parliament on Wednesday, Zuma sharply criticised opposition MPs for continually hammering on about Nkandla.

"Wait for the report (that Nxesi compiled about Nkandla). This will help you to ask more intelligent questions."



Nkandla tender man a state favourite