

Part 1

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(part 1 to part 2)

The man entrusted to run a R900 million food-security project on behalf of government is not paying his bills.

City Press can reveal that Deebo Mzobe, President Jacob Zuma's cousin who manages the Masibambisane rural-development initiative NGO that Zuma chairs, has six default judgments against him for the nonpayment of school fees, loans and personal debt.

This raises fresh questions about Mzobe's fitness to manage a multimillion-rand government project and about his own financial wellbeing.

Mzobe has, to date, refused to publish Masibambisane's financial statements, claiming he pays for his own travel and accommodation at the five-star Michelangelo Hotel in Sandton.

Mzobe appeared alongside Zuma at a Masibambisane harvesting function in Dutywa on Wednesday, where the president criticised the media.

City Press can further reveal that:

» Mzobe scores big from government construction tenders in Mpumalanga and KwaZulu-Natal (see page 2);

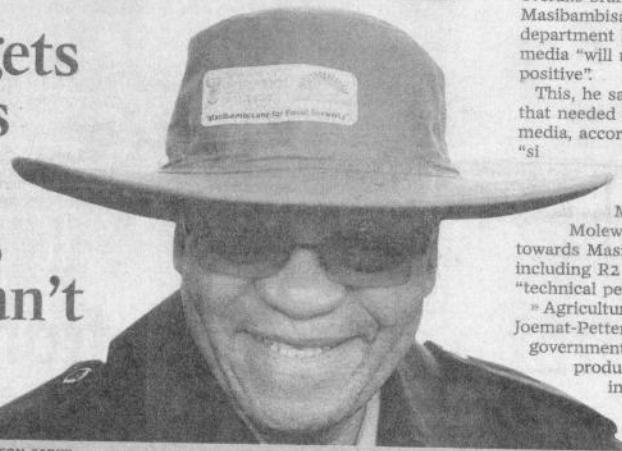
» The public works department has made available a government office in Eshowe, close to Zuma's hometown of Nkandla, for the NGO.

Masibambisane conducts its business from here; and

» Mzobe, who previously said his father was Zuma's cousin, is a business partner of Zuma's brother Michael and Phumlani Mfeka, the founder of the anti-Indian Mazibuye African Forum.

MR TENDER'S BAD DEBT

Mzobe gets big bucks from the state, but still can't pay his bills



Deebo Mzobe and President Jacob Zuma at a Masibambisane function in Dutywa on Wednesday || PHOTOS: LEON SADIKI

Credit records show that Mzobe owes his son's Durban school more than R60 000 in unpaid school fees. He has also been defaulting on a R38 366 loan from Absa and owes Shoprite Checkers R1 460.

In August 2011, bad debt worth R31 640 was handed over to Bentley Credit Company to be recovered from Mzobe for a year's unpaid school fees for his son's tuition at the affluent state-run Northwood School in Durban North.

In January 2012, the school obtained a judgment against him in the Pinetown Magistrates' Court for R30 487 in unpaid fees.

Northwood confirmed that

Mzobe owed them about R62 000 in unpaid school fees, excluding legal fees, and said the matter was with their attorneys.

Absa did not respond to a request for further details, while Shoprite said it was unable to respond to the query without more details.

Asked about his bad debt and business interests, Mzobe said the questions "don't make any sense" and he didn't want to talk about himself.

He again claimed there was no government money coming to Masibambisane, despite this week's revelations by the Daily Dispatch that the Eastern Cape alone had channelled more than

R250 million to the president's NGO. An agitated Mzobe said this week: "It is not a government project. I put my own money into it." He added: "Government asked me. They approached me."

Mzobe was recently forced to cough up R7 million after his company, Deebo Holdings, was almost liquidated by a construction company he subcontracted to build RDP houses in Piet Retief, Mpumalanga.

City Press established that Masibambisane coordinated its work in a small two-desk office in the old Public Works building in Eshowe.

Public Works spokesperson

Sabelo Mali said the offices were made available to Masibambisane by his department "so that it can implement a poverty-alleviation programme for the benefit of the impoverished communities". He said the department "is in the process of formalising this arrangement".

Asked if the building was being provided to the NGO rent-free, Mali said he would only be able to get a response on this from the department's regional office next week.

City Press visited the Masibambisane office this week.

The unbranded office was on the same floor as offices used by ANC councillors.

An intern working on a computer said it was her first week at the organisation.

She didn't know how many staff members were based at the office as most of the staff worked outside of the office.

Zuma this week affirmed his support for Masibambisane at the function in Dutywa.

Flanked by various Cabinet ministers and provincial leaders, Zuma thanked his ministers for their support of Masibambisane, which he chairs, and lamented the criticism the project received in the media.

Zuma, dressed in green overalls branded with the Masibambisane and agriculture department logos, said the media "will not write anything positive".

This, he said, was a bad habit that needed to be "cured". The media, according to him, was "sick".

At the function:

» Water Affairs Minister Edna

Molewa pledged millions towards Masibambisane, including R2 million to hire "technical people";

» Agriculture Minister Tina Joemat-Pettersson pledged that government would buy produce from farmers involved in

Masibambisane's projects; and

» Rural Development Minister Gugile

Nkwinti said the "crop veld" was "a revival of what used to happen in the past, where people would eat from the food they plant in their gardens. We are here to support that initiative."

Mzobe's businesses link him to Michael Zuma, the president's brother, former corruption-accused businessman Thoshan Panday and Mfeka - who openly campaigns against Indian people and previously said he was a nephew of Zuma.

Zuma and Panday attended Mzobe's wedding in May. - Additional reporting by Spumelele Mngoma

Mzobe scores big, page 2

Part 2

Mzobe scores big from Mpumalanga, KZN tenders

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President Jacob Zuma's cousin, Deebo Mzobe, has scored numerous construction tenders in Mpumalanga and KwaZulu-Natal through his companies Deebo Construction and Deebo Holdings.

City Press has established that:

» Mzobe was awarded at least three multimillion-rand housing contracts in Mpumalanga;

» Worked on at least three road projects in KwaZulu-Natal, one of which included work on an interchange on the N3;

» Mzobe was awarded at least two school upgrade projects in KwaZulu-Natal that amounted to more than R11 million.

According to government tender documents, the KwaZulu-Natal transport department gave Mzobe's Deebo Construction and Projects a tender for the construction of the Ulundi public transport intermodal facility and the construction of earthworks on a provincial main road.

In a joint venture with Stedone Civils and PMPZ Construction, Deebo Construction also won the tender to construct the new Wembezi Interchange on the N3 at Estcourt.

When he opened the new interchange in 2010, then transport minister S'bu Ndebele said the expenditure to date on this project was R33 260 000.

"By the time of completion in 2013, the estimated cost will be over R46 million," he said.

Deebo Construction also won tenders from Public Works to

You say

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Orton King: The strategies and aims of Masibambisane are on the spot to confront this country's biggest enemy: Poverty! Congratulations to the President.

Liphoko from Bothaville: Not harmless. Total conflict of interest. If the meeting was for feedback, were the provincial MECs at the meeting? If yes, why can't they be the ones to give feedback and strategies on how to spend the money? It is clear the president runs the programme himself.

M Mosiako: By now, we should know any government projects that include Zuma's family means the country is being robbed again in daylight.

upgrade two schools in KwaZulu-Natal worth R12 million.

Deebo Construction further received a contract to extend a road in Durban for R616 939.

In the tender documents, it was suggested Mzobe won the tender because it "was the most advantageous tender".

Mzobe previously told City Press he "had built houses in all the provinces", but only KwaZulu-Natal and Mpumalanga could locate tenders to his companies.

Mpumalanga's housing department, where it is known that Mzobe had built RDP houses, did not respond to questions. But tender and court documents show:

» Deebo Construction won a R3.5 million tender to build RDP houses in Shatale Zone 1, in Bosbokrand;

» The company won a R24 million tender in Mkhondo municipality,

Mpumalanga, to build 400 houses in 2011. A lawsuit brought by construction firm Rubro Building revealed that they were subcontracted for R7 million by Mzobe, which he had failed to pay at first, before settling out of court; and

» Deebo Construction and Projects was also awarded a contract to build 599 houses worth more than R33 million in Mbombela and Mkhondo (Piet Retief).

Mzobe's company, Dynamo Duck Trading Projects, also scored a R500 000 tender with the KwaZulu-Natal health department to replace carpets and paint floors at the Newcastle forensic mortuary.

Mzobe declined to comment on questions around his personal business dealings, saying it had nothing to do with his role in Masibambisane.

FOR THE RECORD

In last week's lead story, "Zuma cousin to coin it", we erroneously omitted comment from Public Works Minister Thulas Nxesi's spokesperson, Sabelo Mali. We apologise for this. Mali responded that the ministry and department officials indeed attended the Masibambisane food security meeting at President Jacob Zuma's residence.

Public Works was playing a "supportive role" through its expanded public works programme and had "made available" a government building to Masibambisane to implement a poverty alleviation programme.

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