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# ARMS DEAL: What Zuma told the 'fixer' not to say

**P**RESIDENT Jacob Zuma spent R137-million in taxpayers' money on an arms deal inquiry that was essentially a whitewash of what has arguably been SA's most corrupt procurement programme to date.

But official obfuscation never clears the air. The arms deal has become a cadaver rotting in a shallow grave: the stench lingers.

Now, thanks to the latest sensational revelations by Ajay Sooklal, former Zuma confidante and erstwhile fixer for French arms maker Thales, flies are buzzing around the president's pate again.

Sooklal has filed a damning affidavit in the Pretoria High Court that could bolster efforts to prosecute the president. He claims Zuma persuaded him, at a meeting in 2012, not to tell the Seriti commission how Thales bankrolled the president between 2003 and 2009 in return for his political protection in a criminal probe into the arms deal.

Still, by the end of 2015, Sooklal decided to spill the beans to the Seriti commission – including how, on one occasion, a Thales executive handed Zuma €25 000 (R365 000) in cash. Sooklal never received a reply to his written offer to testify.

Now Sooklal says he's ready to be cross-examined in court about the extent to which Thales had Zuma and the ANC in its pocket. He plans to join the case that Freedom Under Law and the Right2Know Campaign (R2K) have brought against the Seriti commission's findings.

It's a big blow for Judge Willie Seriti's commission of inquiry, which spent four years holding public hearings, grilling witnesses, ploughing through thousands of documents and deliberating on evidence. Last April it issued a 767-page report that found corruption had played "no part" in the government's acquisition of an arms package consisting of 26 fighter jets, 24 trainer jets, 30 helicopters, three submarines and four corvettes.

It's a gobsmacking conclusion. Investigators at the UK's Serious Fraud Office found that British arms maker BAE had paid covert commissions totalling a staggering £103-million (R1.7-billion) to agents

Claim made that president requested payments he received be kept secret, writes **Stephan Hofstatter**

for SA's arms deal. One of these was Fana Hlongwane – special adviser to then defence minister Joe Modise – who allegedly received R150-million in mostly secret payments.

Then there's former public works minister Stella Sigcau. She sat on a cabinet subcommittee that recommended paying R20-billion for Saab Gripen fighter jets and BAE Hawk trainer jets rather than buying the Italian aircraft the airforce wanted for half the price.

Encrypted faxes seen by reporters show BAE then bankrolled Sigcau's daughter's studies in London and provided her with introductions for work opportunities with the arms company's banker, Lloyd's.

And there's Zuma's financial adviser, Schabir Shaik, who went to jail for soliciting a bribe from Thales. "At the centre of Corruption Watch and R2K's case is the fact that the Seriti investigation had a gaping hole right in the centre of it

So there were strong grounds for Corruption Watch and R2K to approach the court in October last year to have Seriti's findings set aside, arguing that he failed to call witnesses who could testify, suppressed key documents and failed to properly investigate material.

A month later Sooklal launched his own application to have the commission's findings declared invalid. He asked the court to hear it on the same day as Corruption Watch's "as there is a great deal of commonality between our respective applications". The case is set to be heard later this year.

Sooklal wants the court to declare that Zuma's exercise of his constitutional powers to set up the arms deal commission was unlawful and invalid because he was implicated in the very corruption being probed.

The roots of Sooklal's decision to blow the whistle on Zuma seem to lie in a bitter commercial dispute the Pretoria-based lawyer is em-

buying from Germany. Thales, which is a third owned by the French government and closely tied to France's political elite, was particularly worried that a corruption case in SA would harm its prospects in the US.

Sooklal's job apparently was to work his considerable political connections to get the charges withdrawn, have arrest warrants against its executives lifted, and ensure Thales continued to win lucrative contracts in SA. He was also mandated to help Zuma beat his corruption charges. In the end that's exactly what happened. In 2009, shortly before Zuma was elected president, the prosecution dropped charges against him and Thales. A windfall of state tenders for Thales followed, including for a R1.8-billion rail signalling contract.

During the six years that Sooklal was employed as fixer he trotted the globe, hobnobbing with presidents, cabinet ministers, arms company executives and prosecutors to get Zuma and Thales off the hook and broker new deals for his employer. His entire existence was covert.

Sooklal's usefulness to Thales ended when Zuma was sworn in as president in May 2009. But the lawyer felt he'd been short-changed and in 2013 he sued Thales, claiming R70-million in outstanding fees.

Despite having no contract with Sooklal, the company offered to settle for R42-million – which he rejected. A year later the case went to arbitration. A 1 300-page transcript of the confidential hearings seen by reporters provides a lurid account of Sooklal's dealings with Thales.

The transcript provided the first sworn testimony that Zuma had allegedly signalled acceptance of a bribe from Thales of R500 000/year – the bribe that led to Shaik's conviction – by using the code word "Eiffel Tower". Sooklal also detailed how he flew around the world with Zuma to meet witnesses who could help him in his corruption trial,

staying in luxury hotels and buying new suits – all at Thales's expense.

One such occasion was during the Rugby World Cup in France in October 2007. Zuma and Sooklal flew to Paris at Thales's invitation and were met by Moynot at Hotel Concorde La Fayette.

"I expressed that Zuma's luggage was missing and Mr Moynot says: 'Well, buy him clothes and I will pay for it,'" Sooklal testified. "During the course of that day Mr Zuma bought virtually a whole new wardrobe."

The 2014 transcript also recounts Sooklal's memory of driving with Moynot to the home of then ANC treasurer Mendi Msimang in Pretoria in July 2006 to hand him a cheque written by "a friend of the Thales Group who pays all our commissions abroad".

The cheque was payable from a bank in Dubai to a trust registered in SA nominated by Msimang that was "aligned to the ANC".

Even though Sooklal deposed to his arbitration testimony while the Seriti commission was in session, he was never approached to assist the inquiry. When he offered to testify, he was ignored.

In his new affidavit Sooklal adds several intriguing details that could be used against Zuma should the criminal charges be faced by the president. In his new statement, Sooklal recounts accompanying Zuma to Brussels in April 2007 to meet EU officials. "Moynot... handed over €25 000 to [Zuma] in cash."

But it is the cover-up that is perhaps the most damning. In August 2012, Sooklal received a phone call from Zuma's personal assistant, Ntokozo Luthuli, summoning him to a meeting at the president's official residence, Mahlabima Ndlophu.

At this meeting, Sooklal says Zuma told him: "My brother, I have appointed an arms deal commission to finally put to rest allegations of impropriety, bribery or corruption in the Defence Review Project. I request you not to inform the commission that the French were paying me monies over the years up to 2009."

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**At the centre of Corruption Watch and R2K's case is the fact that the Seriti investigation had a gaping hole right in the centre of it – that it ignored crucial evidence, failed to call crucial witnesses, and failed to ask the necessary questions**

– that it ignored crucial evidence, failed to call crucial witnesses, and failed to ask the necessary questions," says R2K's Murray Hunter.

He said Sooklal's claims support the case "because they speak to evidence of major impropriety in relation to the arms deal and, second, because they beg the question why the Seriti commission did not call Sooklal as a witness after the Sunday Times first published his claims in 2014. Instead they seem to have wilfully ignored that information."

broiled in with Thales.

Pierre Moynot, who was Thales's local representative at the time, hired Sooklal in September 2003, shortly after then prosecutions boss Bulelani Ngcuka announced he was charging Shaik for bribing Zuma on behalf of Thales in return for political cover during the arms deal investigation.

Thales's SA subsidiary, Thint, had been awarded a R2.6-billion contract in 1997 to supply combat suites for the corvettes that the SA navy was