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EXTORTION RIFE

'Construction Mafia' cost the economy more than R68 billion

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A NATIONAL forum has been established to co-ordinate cases relating to extortion syndicates in the construction sector.

This was revealed by Public Works Minister Sihle Zikalala, who was in Durban for a monitoring visit, saying the government had plans to end this worrying practice once and for all.

The forum will look into all affected provinces focusing on extortion-related crimes, attempted murder, common robbery, conspiracy to commit murder, incitement to public violence, contempt and contravention of court orders.

Zikalala visited the Durban High Court renovation project which is part of 20 projects his department was undertaking on behalf of the government in

KwaZulu-Natal. "This was a result of illegal occupation and the hijacking of this site by criminals and gangs extorting money from construction sites, known as the 'construction mafia'. The site is now under heavy security protection, meaning unbudgeted costs are now being incurred which must be sourced for this project to be completed."

He said the project encountered delays in February last year as the effects of the construction mafia on building projects across the country reached critical levels. "The construction mafias have been a terrible nightmare for construction companies that want to finish their projects, hence the government is trying to address the issue by drafting policies and legislation to tackle it."

Zikalala said this was negatively affecting the implementation of construction projects and the economic growth



THE DURBAN High Court redevelopment and renovation project by the Department of Public Works and Infrastructure is 55% complete. | SUPPLIED

of the country. He condemned these acts, saying the government through the Ministry of Police had tasked the Organised Crime Investigations Detective Services and the Serious Organised Crime unit within the Directorate for Priority Crime Investigations (Hawks) to look into this matter urgently.

According to reports received from the police, Zikalala said a total of 682 cases (132 extortion and 550 extortion-related cases) were being investigated by the Organised Crime Investigations Detective Services.

Zikalala said the disruption and blockages of construction sites cost the economy more than R68 billion, before the pandemic, in 186 projects.

"We will work with the police, including ensuring that these cases are prosecuted with speed. That will send a clear message to all those involved in

this construction disruption," he said. A report by the Global Initiative Against Transnational Organised Crime (GI-TOC) said the origins of construction mafias can be traced back to KwaZulu-Natal in 2014, particularly in Umlazi and KwaMashu townships.

Jenni Irish-Qhobosheane, the GI-TOC report author, said that after the forums successfully extorted projects in their townships, the groups joined forces and formed the Federation for Radical Economic Transformation (FFRET).

In 2016, the forum expanded with several "local business forums" linked to the FFRET and began extorting money from construction companies in KwaZulu-Natal. In 2018, these construction mafias extorted money from established construction companies that the government had hired through tender processes. Extortion also happens in private

developments. Some of the policies the government is drafting to combat this include the Critical Infrastructure Protection Act (Cipa), the National Infrastructure Plan and the Critical Infrastructure Programme. Cipa aims to secure sites, projects and developments. These sites will be assessed to protect economic stability, public safety and the preservation of essential public services.

