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JOINT STATEMENT BY MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE, PATRICIA DE LILLE AND HEAD OF THE SPECIAL INVESTIGATING UNIT, ADVOCATE ANDY MOTHIBI

ESTABLISHMENT OF THE INFRASTRUCTURE BUILT ANTI-CORRUPTION FORUM TO BOLSTER GOVERNMENT'S WORK IN PREVENTING AND ACTING AGAINST CORRUPTION IN THE IMPLEMENTATION OF THE INFRASTRUCTURE INVESTMENT PLAN

Today, Monday 24 May 2021, Minister of Public Works and Infrastructure, Patricia de Lille and Head of the Special Investigating Unit, Advocate Any Mothibi launched the newly established Infrastructure Built Anti-Corruption Forum launch (IBACF) in Cape Town.

Minister de Lille and Advocate Mothibi were also joined Advocate Rodney De Kock, Deputy National Director of Public Prosecutions and Dr Kgosientsho Ramokgopa, head of Infrastructure South Africa.

The IBACF is an initiative by the Anti-Corruption Task Team, Government, civil society together with built environment sector convened by the DPWI and the SIU which has been established to monitor infrastructure projects more effectively and put systems in place to detect and prevent corruption.

The initiative comes at a time when South Africa has embarked on the implementation of the Infrastructure Investment Plan approved by Cabinet in May 2020 which forms an integral part of the country's Economic Reconstruction and Recovery Plan (ERRP).

Cabinet also approved the establishment of Infrastructure South Africa (ISA) as the administrative arm responsible for monitoring the implementation of the Infrastructure Investment Plan which is made up of projects from all three spheres of government, state-owned enterprises and the private sector.

It is against this background, that the Infrastructure Built Anti-Corruption Forum (IBACF) has been initiated as a strategy to detect and prevent corruption in the implementation of the Infrastructure Investment Plan because this plan cannot be derailed or affected by corruption in any way.

The establishment of this forum is in line with the National Anti-Corruption Strategy (NACS) which was approved by Cabinet in November 2020 to help step up the fight against corruption and fraud in the country. The NACS pillar 6 puts emphasis on "protection of vulnerable sectors", which direct that strategic interventions should be implemented in those sectors that are more prone and vulnerable to the incidents of fraud and corruption. Infrastructure and/or construction sector is one of the sectors that have been prioritised. The forum also aligns with one of the 7 key priorities of the 6th administration, which is to: build a capable, ethical and developmental state.

Minister de Lille said: “Corruption within the built environment has run rampant for too long. The state has structures in place but government cannot do this work alone and that is why we have brought private sector, public entities and civil society together in this forum so that we can work together on more effective ways to detect, prevent and act against corruption.

“Our people need better roads, hospitals, schools and generally better infrastructure for better services, we need better and more government buildings. We cannot allow the crooks to continue to steal billions meant for infrastructure. People, no matter who they are, cannot be allowed to continue to steal and stifle progress at the expense of the most vulnerable in our country.”

Minister de Lille added: “Anyone involved in corrupt activities and found guilty of such must face consequences, they must face the full might of the law. We must work together to put an end to this scourge because corruption steals from the poor. We also need a clear path to delivering quality infrastructure to create the crowding in effect of more investment by the private sector.”

Adv. Mothibi said that their observation based on the SIU investigations under various proclamations over the years totaling over R10 billion to date is that the construction sector is vulnerable to , amongst others, price fixing, high Construction Industry Development Board grading issued to non-deserving contractors, and issuing of illegal environmental permits for large developers to develop in sensitive environmental areas.

There is also an issue of defrauding the state through usage of substandard construction material to make more profit and facilitation fee/bribery/kickbacks, amongst others.

“The Infrastructure Build Anti-Corruption Forum will galvanise all stakeholders into action and ensure that Infrastructure Built Projects are monitored more effectively and put measures and systems in place to fight against fraud and corruption, identify areas of co-operation to enhance prevention, detection, civil litigation and prosecution of fraud and corruption in the Infrastructure Build Sector,” Mothibi said

ISA has in the last year, upon request, worked with the SIU on some cases, Dr Ramokgopa said: “Infrastructure South Africa has a well-established and good working relationship with the SIU. The official launch of this forum can only cement our working relations further to ensure greater transparency and accountability as we implement the Country’s infrastructure build programme”

Forum composition:

The forum is led by the SIU and DPWI and also includes representatives from the following bodies:

- The National Prosecuting Authority
- The Directorate for Priority Crime Investigation
- The Financial Intelligence Centre
- Corruption Watch
- The Council for the Built Environment
- Master Builders South Africa
- South African Council for the Architectural Profession (SACAP)
- Consulting Engineers South Africa (CESA)
- South African Black Technical & Allied Careers Organisation (multi-disciplinary) (SABTACO)
- South African Bureau of Standards
- Business Unity South Africa (BUSA)
- The Human Sciences Research Council

The role-players have specifically been approached in consultation with the SIU to ensure inclusive and widespread oversight and the muscle to take action when needed.

Forum Mandate:

The mandate of the forum in summary is to collaborate, consult and support and co-operate with one another to fight fraud and corruption in the sector through criminal

prosecution and civil litigation as well as through prevention initiatives such as corruption risk assessments, awareness programs, identification and detection of corruption, controls improvement, systemic recommendations, monitoring and reporting.

The forum will have oversight of investigations and will see various agencies working together to investigate any reported and alleged corruption so that we enhance accountability in the implementation of the Infrastructure Investment Plan's projects.

The forum agreed that one of its main and immediate areas of work will be to look into how whistle-blowers can be incentivised and rewarded for coming forward with information on corruption that leads to successful prosecution.

Forum Operating Model:

The Forum has an operational structure called "Steering Committee" that manages the day to day operations of the Forum. This structure will receive all allegations of fraud and corruption in the infrastructure and/or construction sector and assessed them based on objective criteria that has been developed. This process will determine which entity is best suited to investigate the matter based on the respective mandate that they bring to the Forum.

For example, if the allegations received relate to criminal conduct in nature, they will be referred to Hawks for investigations, which will be guided by the NPA to ensure that the matter becomes ripe for prosecution. Other matters will also be referred to SIU based on their mandate and civil litigations will be instituted in those matters to recover losses suffered by the State. Regulators in the sector will deal with professional conduct and other administrative remedial actions.

Members such as the SAPS, SIU and the NPA have statutory powers which will be invoked in dealing in allegations reported to the Forum. Representatives on the forum may also bring allegations to the forum and where required, the relevant professional body will take the necessary remedial action.

The parties will work together to collect information for the investigations, ensure all due processes are followed and act on the allegations in terms of the various pieces of legislation and statutory powers of forum members such as the SIU and the NPA.

At the inaugural meeting of the forum last week, all members agreed that prevention strategies and work was crucial.

Corruption causes a trust deficit between government and the private sector and does not instil confidence in government by society and investors. To regain confidence of society and investors, we must show that government is capable of holding the corrupt and delinquent visibly accountable.

This forum will be an integral tool in government's ammunition to mitigate against corruption as we implement infrastructure investment in our country.

The work of this forum and other measures to guard the Infrastructure Investment Plan against corruption will bring a greater level of transparency and will give credibility to the implementation of the Infrastructure Investment Plan.

"There will be a strong emphasis on prevention work because as a country we spend too much time and money after the fact, after corruption has already happened to find out what went wrong," Minister de Lille said.

Members of the public can report allegations of corruption or fraud in the Infrastructure Investment Plan projects to the SIU whistleblowing hotline – 0800 037 774 or via email to siu@whistleblowing.co.za

Persons reporting corruption can be assured that their details and identity will be treated with the utmost care and confidentiality will be ensured.

We will also be setting up a dedicated line and email address for people to report matters directly to the secretariat of the Infrastructure Built Anti-Corruption Forum.

ENDS

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