## 22 April 2016



## Arms deal report fails to settle matter of corruption in arms procurement

In response to President Zuma's release yesterday of the Seriti Commission's report, Corruption Watch notes that, given the thoroughly flawed and irregular proceedings of the commission over the last four years, this outcome is hardly surprising. The report's eventual failure to address long-standing allegations of corruption in the arms deal prevents closure of this sordid chapter in the governance of large scale public procurement.

Set up to investigate the allegations of wrongdoing in the Strategic Defence Procurement Packages, the commission under the stewardship of Supreme Court Judge Willie Seriti, was perceived to lack credibility and its processes compromised.

There are three key factors that cloud the findings of the report:

- There has hardly ever been an arms deal of this scale that is free of corruption to have found no evidence of corruption in this instance is therefore highly unlikely.
- There have been other judicial findings of corruption related to the arms deal <u>over the past</u>
   20 years emanating from within and outside South Africa, which seems to indicate that the
   commission has not been sufficiently thorough in investigating these and other allegations.
- The commission's execution of its mandate was flawed from the outset, and beset by manipulation, exclusion of documentary evidence, and prevention of access to critical information by various stakeholders.

David Lewis, executive director of Corruption Watch, commented: "This is an extraordinary outcome. The 'inferences' that the commission claimed that it was unable to draw were already there in several criminal convictions related to the deal, in the initial charges levelled against President Zuma by the National Prosecuting Authority, in the obscene sums paid to South African 'consultants' and held in foreign bank accounts, and, in the clear acknowledgement by some key foreign suppliers of suspicious payments to its 'consultants'. These are among the many 'inferences' that the commission was charged with investigating. It has clearly failed to discharge its mandate."

The manner in which the arms deal has been addressed raises critical issues around the scrutiny of public procurement processes to ensure that they comply with Section 217 of the Constitution, which mandates that all procurement is fair, equitable, transparent, competitive and cost-effective.

Corruption Watch will continue to monitor closely large procurement deals such as the Sassa IT tender, the proposed nuclear power project, and others of the same scale, to ensure that these are rigorously transparent and compliant.

## For more information:

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