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Zondo commission – former MP Vincent Smith says his relationship with Agrizzi was above board

Former ANC member of parliament Vincent Smith has denied before the commission of inquiry into state capture that payments made by former Bosasa COO Angelo Agrizzi towards his daughter's tuition in 2015 were because he had a corrupt relationship with the company.

Smith was the chairperson of the portfolio committee for correctional services between 2009 and 2014, while Bosasa had a number of lucrative contracts with the Department of Correctional Services (DCS). He told the commission on Friday that contrary to Agrizzi's testimony in 2019 that over two years Bosasa had paid more than R600 000 of Smith's daughter's university fees, the payments were in relation to a loan that he had asked from Agrizzi as he had cashflow issues at the time.

Smith asserted that Bosasa had nothing to do with the loan, but it was a separate agreement between himself and Agrizzi, and was not tied in any way to his position on the committee. "I did not borrow money from any company. The loan agreement was between me and Angelo Agrizzi and there is correspondence to that effect by way of an SMS."

The pair, said Smith, had a cordial relationship. Agrizzi had asked him just months before the transaction to help his son who was unemployed. Not long after that, Smith too asked for a favour regarding his own son, who suffered from behavioural issues. On that basis, he testified that there was enough trust between himself and Agrizzi to assume that the added favour of cash would not be a problem.

But evidence leader Advocate Viwe Notshe had a problem with the association between the chairperson of the parliamentary committee that oversaw the DCS's affairs, including its contracts, and a senior employee of one such contractor. Smith, however, said during his tenure, the committee stood against outsourcing a variety of the DCS's functions, including the work that Bosasa did for the department, so he never went soft on the company.

His arrangement with Agrizzi was not because of their common DCS links. "The fact that I gave Mr Agrizzi my company bank account, was because for me it was a legitimate agreement. In fact my audited financial statements will show that those transactions were raised as a loan in the company."

Soon after his appointment in 2009 as committee chairperson, Smith met Agrizzi at a Sandton hotel, through an arrangement by his parliamentary colleague Cedrick Frolick. Bosasa was under investigation by the Special Investigating Unit (SIU), and a report to this effect had come on to the committee's radar. But Smith saw nothing wrong with meeting Agrizzi, purely for the reason that it was not unusual for MPs to meet with relevant stakeholders. The late Bosasa CEO Gavin Watson and Smith had known each other since before the latter became an MP. "Ordinarily, when a new chairperson is introduced, stakeholders want to meet the new chairperson. In 2011 Mr Gavin Watson

wanted to meet me and I was comfortable to meet them as stakeholders. It was an introductory meeting that I was invited to.

“Chairperson, when Mr Watson phoned me a day or two before the meeting. I did tell him that I was uncomfortable meeting them on my own – by the way, it was not a portfolio committee meeting, and Mr Watson was aware that I would come to Johannesburg on weekends while I was in Cape Town, so it was a simple request,” said Smith.

“I indicated to him that I would more comfortable going with somebody else from the committee so that when we report back it’s not an individual view.”

Notshe asked, however, if it did not seem inappropriate to meet at a hotel, particularly under the circumstances of the Bosasa probe. To this, Smith said he was still new to the committee, and had not acquainted himself fully with all the issues at the DCS.

Once the various allegations of corruption started emerging, however, the committee sought a neutral position and criticised, where necessary, the dealings with private contractors.

“I have no doubt that my stance and the stance of the committee throughout my tenure was not anti-Bosasa, but it was anti outsourcing, and Bosasa had a major role to play there. It was not an attack on a company, rather on a management style, for lack of a better word,” said Smith.

“There were no holy cows. Bosasa was no holy cow, and I don’t understand, chair, that If I was getting R45 000 to do a job, in other words to be soft on them, three years later I’m still as harsh as I am, and they continue to give me that money. It doesn’t make sense to me.”

In his testimony before the commission early last year, Agrizzi said Smith was among politicians who received monthly cash bribes from Bosasa to enable the company to secure and maintain its DCS contracts. Once the SIU caught on to the questionable contracts, some influential people were paid bribes to stymie the investigation.

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