



5 February 2020

Zondo commission – R1.2bn SAAT contract, kickback accusers point fingers at each other

Former SAA board member and SAA Technical (SAAT) chair Yakhe Kwinana has been implicated in a kickback scandal by a witness appearing before the commission of inquiry into state capture. It was in relation to a R1.2-billion contract for aircraft components for SAAT. Sibongile Sambo, owner of SRS Aviation, was at one time in the running as a BEE partner for an American bidder for the five-year contract. According to her, Kwinana wanted R100-million from the US-based AAR Corp in return for influencing the tender process to favour them.

Sambo said Kwinana revealed this during a meeting in Midrand, which was also attended by another SAAT board member, David Tambi, and a fourth person introduced to her by Kwinana as the latter's "runner", Kuki Mdlulwa. Tambi, said Kwinana at the time, would take care of her interest once she had resigned from SAAT. Before she was to do so, however, her plan was to get her hands on three impending contracts, one of which was the one Sambo and AAR intended bidding for.

Kwinana has responded to Sambo's assertions by saying it was actually Sambo who had intentions of getting a kickback from AAR. Sambo's reasoning, said Kwinana in an affidavit to the commission, was that until then she had facilitated AAR's links to the South African market, without getting paid.

SAAT issued the tender in question several times before eventually awarding it to AAR and a different BBEEE partner, JM Aviation, first on a five-month basis, and later on a five-year term. For Sambo, the insertion of JM Aviation into the picture had been a shocking blow, as she had been AAR's only link to SAAT to date.

Sambo had first met AAR officials during a 2011 visit to the US organised by the Department of Trade and Industry. Several attempts to get the Americans to partner with her as her backers for prospective supplier contracts with SAAT proved fruitless. Nevertheless, she considered SRS the unofficial link between AAR and South Africa.

SAAT was at the time in the market for the supply and maintenance of aircraft components for which, Sambo told the commission, she had single-handedly sought AAR and was planning to be its local partner in the bid. She had introduced AAR to SAAT after having been in negotiations with the company to back her in bids issued by the national airline. AAR had until then not had any connection to the industry in South Africa, but showed an interest in Sambo's proposed introduction.

Over time, however, Sambo was sidelined to the point where she was excluded from an April 2015 tour of AAR's operations in Chicago and Miami. The tour included several executives of SAAT and parent company SAA, including Kwinana and then SAA CEO Musa Zwane.

Sambo learned through then SAAT head of procurement Nontsasa Memela that despite being the conduit between the two entities, she was not invited.

Following the trip, SAAT sent the bid for the components tender directly to AAR, said Sambo, instead of advertising it as usual on their website. AAR then forwarded this to Sambo, with a request for her to finalise the documentation and submit to SAAT. Before this could happen, Kwinana allegedly asked to meet Sambo. It was then that she told her of intentions to make money out of that tender and two others SAAT had issued at the time. The R100-million, according to Sambo, was to be shared between Kwinana, then Zwane and Memela.

To Sambo's surprise, AAR director Cheryle Jackson revealed a new local partner to her during a visit to South Africa later in the year, in August. Leading AAR's new BBBEE partner consortium were Bongani More and Rafique Bagus, former Alexkor chairperson. This new BBBEE arrangement had links to then deputy finance minister Mcebisi Jonas, through More, Sambo said she was told. She was also told that Jonas had met with AAR officials in Cape Town in the lead-up to the bid process. For reasons Sambo does not know, the partnership fell through and AAR would later bid with JM Aviation, led by Vuyo Ndzeke. Feeling hard done by yet again by AAR, Sambo told the commission that she asked for all reference to SRS to be removed from bid documents, a move she would later learn irritated AAR officials.

Having withdrawn and believing that her wish to be removed had been granted, Sambo was surprised when a forensic investigator from Ernst & Young later asked to interview her about her involvement in the bid, as part of a probe into a number of SAAT contracts.

JM Aviation, she was allegedly told by SAAT's Nontsasa Memela, succeeded in their bid because they got assistance from her, on the instruction of Kwinana.

The evidence in relation to the R1.2-billion contract continues tomorrow.

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