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Zondo Commission: Fuzile tells of plan to replace Treasury officials with Gupta appointees

“You are getting a Gupta minister, he is coming with his own advisors.” former treasury director-general Lungisa Fuzile was allegedly told by ANC NEC member Enoch Godongwana soon after Fuzile’s boss, Nhlanhla Nene, was fired in December 2015. Godongwana called Fuzile about an hour after the latter had received a text from Nene that read “the axe has fallen”, indicating that he had just been fired by former president Jacob Zuma.

Fuzile told the commission of inquiry into state capture on Wednesday that in the midst of the events of that fateful evening, on 9 December, Godongwana’s message did not immediately register. It was only when Nene’s replacement Des van Rooyen arrived at Treasury with the “advisors” that he was able to start connecting the dots. When he asked Godongwana to elaborate, all he was told was that the men who would join the new minister – whom he did not name at the time – would most probably be of Indian descent. Van Rooyen’s stay in the department was brief, as Zuma had to submit to pressure and replace him with Pravin Gordhan, after the reaction of the financial markets to Nene’s axing.

“When I met one of the advisors, it immediately struck me that there was truth in what Mr Gondongwana was saying,” said Fuzile, before putting into context the dramatic events of the week that would see Nene exit the office. “You start the week trying to make a budget for the country, there’s an announcement that fees for higher education will be frozen - I didn’t know about it until it was announced. Tuesday was all about talking nuclear... all of it is inappropriate and not about how government has to work.”

Gupta stooges placed in Treasury

The conversation with Godongwana went on to the point where he told Fuzile that the new minister did not even know the people who would be joining him as advisors. He said: “They have been given to him by the Guptas”. It was only in a later conversation with then deputy finance minister Mcebisi Jonas, however, that Fuzile got a sense of why the changes were happening. Jonas told him that two months earlier, in October, he was offered Nene’s position by one of the Gupta brothers. He too was told that he would get advisors. “Mr Jonas told me that one of the things that were said to him was that one of his first tasks was to remove four people, in addition he would be given replacements, as well as advisors.”

In retrospect, said Fuzile, it all fits like a hand in glove – that this is how the takeover of departments is designed. He added that a similar pattern of events had happened at the Department of Mineral Resources. The department had been taken over by Mosebenzi Zwane in September of that year.

Jonas told Fuzile that he was among the four he would have had to remove, if he’d accepted the offer, which also came with an alleged R600-million bribe. “Mr Jonas said Mr Gupta had also said he would have to remove four of us: Ismail Momoniat, Kenneth Brown, Andrew Donaldson and myself.” This move would point to a strategic effort to take over crucial divisions of Treasury that had to that point been stumbling blocks for malfeasance. Momoniat was in control of a division that developed tax policy and measures to curb money laundering, among other tasks, said Fuzile, while Brown was at

the time the chief procurement officer, in charge of the centralised tender process. Donaldson headed up the government technical advisory centre – which advised on and monitored expenditure.

Through the conversation, Fuzile was able to paint a good picture of the process involving ministerial appointments. “One of the advisors was from mineral resources [department]. There was a connection between what the Guptas wanted, and what the president wanted, and was doing.”

Fuzile is expected to continue with his testimony when the inquiry resumes on Thursday.

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