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### **Zondo Commission: money laundering the Bosasa way**

An intriguing account of countless money laundering schemes that kept catering and facilities management company Bosasa – now African Global Group – on top of its corruption game. This is the picture painted by former chief operations officer Angelo Agrizzi at the commission of inquiry into state capture on Friday. Agrizzi was into his third day of testimony, following an earlier than usual adjournment on Thursday due to a security issue at the venue for the hearings in Parktown, Johannesburg.

Agrizzi spent most of the morning giving elaborate explanations of how Bosasa – which enjoys a large number of government contracts – generated cash that would be used to bribe public officials in return for their loyalty and favours. One such method, he said, used Jumbo Liquor Wholesalers in western Johannesburg to create fictitious invoices to Bosasa for liquor orders, sometimes amounting to R1-million per week or fortnightly, only for the goods to not be delivered. Bosasa would then make payment by electronic transfer and the same amount, typically made possible through weekend cash sales by Jumbo, would be transported by an agent back to Bosasa.

The Jumbo transactions would be facilitated by Riaan Hoeksma, who owns a company called Riekele Construction. He transported the cash from Jumbo back to Bosasa. Earlier in the week Agrizzi told the commission of two separate vaults at the Bosasa offices in which cash would be stored before being distributed to officials who needed their palms to be greased. One of these was in the office of the company secretary, Natasha Olivier, and the other in CEO Gavin Watson's office. Cash deliveries, he said, would be kept in Olivier's vault and then later be moved to Watson's.

A similar modus operandi would be used for the prisons catering arm of the company: when ordering supplies for correctional facilities, non-taxable items would be included on falsified invoices so as to evade scrutiny by the South African Revenue Service (Sars). "Things like rice and beans would be on the list...we don't serve rice in prison," said Agrizzi. "When Sars looks at a non-vatable invoice they will just chuck it aside."

The costs of the items would then make up part of the billing to the Department of Correctional Services, despite the fact that the goods would not be delivered. The supplier of the goods would then do as Jumbo did and the cash would be transported to the Bosasa vaults.

One of the facilities managed by Bosasa, Lindela repatriation centre in Krugersdorp, was also used to generate cash. "The illegal migrants at Lindela often used cash to buy groceries and to use prepaid mobile phone packages, so the cash from there would also be brought back to the vaults." Bosasa, said Agrizzi, owned canteen facilities at Lindela, which is run by the Department of Home Affairs to detain migrants who are without legal documentation, while the process of their deportation is under way. The same method was used a mining hostels managed by Bosasa.

Agrizzi continues to testify.

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