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Zondo Commission – former Free State agriculture head Thabethe discusses his role in Vrede saga

The Free State government went with Indian company Paras in the Estina integrated dairy farm project in 2012 because no-one in South Africa was interested in supporting it, according to Peter Thabethe, the former head of the provincial agriculture department. Thabethe has been implicated by several witnesses at the commission of inquiry into state capture in spearheading the project, which was allegedly mismanaged and from which over R200-million has reportedly been looted, leaving its intended beneficiaries out in the cold.

Thabethe revealed his role on his first day of testimony on Thursday. It was through his own research, he said, that Paras was discovered when he looked for companies that did well in the milk processing field.

"I had done research to look at countries that were doing very well in milk production," said Thabethe. "The countries that came out were Switzerland, Germany and India." His department then compared the systems and models that they use for dairy production and processing, settling on Paras, as it came close to what they wanted to achieve.

Then MEC of agriculture Mosebenzi Zwane instructed Thabethe to take with him Ashok Narayan to India as part of his research process. Narayan has been linked to several government-related projects from which the Gupta family allegedly benefited. He was also implicated in the testimony of former Phumelela municipal manager Moses Moremi on Tuesday, who claimed that Narayan ambushed him in his office in 2012, leading a group of businessmen with potential interest in the project. Phumelela owns the land on which the dairy farm is located, and Moremi was put under pressure to sign an agreement that virtually gave Estina a "free" lease to allow them to run the project from the premises.

The project, located in the small town of Vrede, has been the subject of the commission's focus for the past few weeks. Several witnesses have described it as a venture meant to benefit hundreds of community members in the form of jobs and opportunities for emerging black farmers. By early 2014, however, it had become clear that there would be no benefit to the community, and that Gupta-linked Estina would not take responsibility for the damage done in the project, including the death of tens of livestock acquired along with other assets.

The Hawks and the Public Protector's office investigated the project, with the latter producing a report. Although Thabethe was arrested for contravention of the Public Finance Management Act, along with several other key players in the project, they were let go when the National Prosecuting Authority provisionally withdrew the charges against them in November.

While proceedings were underway today, the High Court in Pretoria ruled that public protector Busisiwe Mkhwebane must personally pay some of the costs in the matter, as it was investigated by her office

last year. Judge Ronel Tolmay said in her judgment that Mkhwebane's handling of the Estina investigation showed disregard for taxpayers.

The public protector's probe into the Estina matter has come under fire for its lack of detail on the role played by politicians in the Free State government. Mkhwebane, who made findings last year, also never interviewed the dairy project's intended beneficiaries, who were promised support by the Department of Agriculture.

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