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Zondo commission – ANC milks SOEs for party activities, Zondo told

Former Prasa CEO Lucky Montana used his appearance before the state capture commission on Monday to throw the ANC under the bus for its fundraising strategies, some of which he says come at a great cost to state-owned entities (SOEs). Montana said there is a long-standing culture in the ANC to use SOEs as bargaining tools for its activities and events, as its CEOs are often deployed at the behest of the party.

If the commission would obtain testimonies from current and former CEOs of SOEs, it would hear for itself the level of pressure placed on them to raise money for the movement, said Montana.

A question had arisen over an allegation raised by Prasa's former chairperson Popo Molefe that R80-million out of the R3.1-billion Swifambo contract entered into by Prasa in 2012 went to the ANC in 2014. According to Molefe, two individuals named Maria Gomes and attorney George Sabelo approached Swifambo Rail Leasing director Auswell Mashaba after the award of the contract, which was for the supply of 70 modern trains, claiming to be acting on behalf of the ANC, and asked that he donate. For his troubles, Mashaba was allegedly promised a R8-million "handling fee."

In court papers in the commission's possession that were submitted by Mashaba as part of the liquidation process of Swifambo after the contract was set aside in 2017, he claims that he was indeed approached by the two, and confirms that the amount he released to the party was R80-million. The ANC has in the past distanced itself from the allegations and from Gomes and Sabelo.

Montana told the commission that while he never knew of the matter until reading about it in the media around 2016, he wanted to caution the commission about understanding the context in which such a request could be made to a supplier of government. In his own affidavit, which is yet to be accepted by the commission, Montana lays out the ANC's culture of entitlement to public funds generated by SOEs, particularly where the CEOs would have been deployed on the encouragement of the party.

"I listened to the testimony last week of the ANC president, Mr Ramaphosa. That contrasts very strongly with what I say [in the affidavit]. The ANC worked in a particular way, and as a result the ANC ended up being defrauded because a lot of people could come and say they want to raise money in the name of the movement. They'll say 'the movement, the ANC,' referring to themselves. And most of that money doesn't even end up in the ANC," Montana said.

"I hear the leadership of the ANC say 'this is the work of some people.' No, it's the way of life in the ANC. There's no single state-owned enterprise that the ANC has not approached."

Montana said he, Gomes and former ANC treasurer-general Zweli Mkhize had on numerous occasions met to talk about ways in which the ANC could be supported. It was common practice that in the lead-up to elections and other costly activities, cadres deployed in the public service would be asked to chip in and assist the party to raise funds.

“Chair, I was disappointed when I listened to what the ANC told you in this commission. Our president was here, and I thought that the leadership of the country will take a great leap and reflect honestly on what has happened over the past few years. We missed a big opportunity, precisely because we wanted to be here to say the ANC was courageous, it dealt with the issue of state capture.”

In reality, he added, the ANC has failed to reflect on its dealings in the past and has not taken the nation into its confidence in this regard.

“The African National Congress approached state-owned enterprises. It had its own conferences, it had a special section [named] ‘deployed cadres’, including those about whom the president was correct when he said not each and every person appointed to government was appointed because he was a cadre. But once they are there, you see, they’re all regarded as deployed cadres, and there’s a table there in the ANC conference.”

The CEOs of SOEs would be expected to “buy” tables at the conferences, or encourage suppliers to do the same, in the name of fundraising.

The impression created in the media and by Molefe before the commission is that the Swifambo contract was awarded with the ANC donation factored into it, but this was not the case. Mashaba was approached separately, when it became known that his company had won the award. “It did not come from Prasa, chair.”

Mashaba was summoned by the commission to appear earlier this year, but defied the order, citing that he did not recognise it as being valid.

Montana continues to give evidence.

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