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Zondo commission – Kodwa denies tender favours for EOH

Deputy minister of state security Zizi Kodwa has confirmed that he received a series of payments along with accommodation and catering services from former EOH executive Jehan Mackay. But these were not offered in expectation of him giving the company preferential treatment for government tenders, he says.

Kodwa appeared before the state capture commission on Monday. He was implicated by ENS Forensics Services MD Steven Powell in a quid pro quo arrangement with Mackay in respect of several contracts that the company bid for around 2014 and 2015. According to Powell, e-mails from Mackay to Kodwa over the period, as well as payments into his personal bank account, suggest that Mackay looked to the deputy minister – who was an ANC office bearer at the time as party spokesperson – to intervene in situations where EOH required help. He also testified that Kodwa would enjoy luxury accommodation that would later be reconciled in EOH books as expenses incurred in relation to one of the contracts.

Kodwa, however, denied that this was the case. He lamented the perception created in the public arena by Powell's submissions that political leaders cannot be in innocent relations with people in private business unless there are favours expected in either direction.

He told the commission that there was no connection between the contracts and the payments, which were merely acts of assistance from a friend at times when Kodwa was experiencing financial difficulties.

"None of the payments, catering or accommodation were offered to me to facilitate any unlawful act on my part to Mr Mackay," said Kodwa. "I'm the first to acknowledge that some of the assistance, including the accommodation and catering, may well seem excessive and extravagant hospitality offered to me whenever I occupied or visited Mackay's property or those to which he had access."

Mackay made an electronic transfer of R1-million into Kodwa's account in late April 2015. Weeks later, Kodwa used R890 000 of this to pay for a Jeep at a Johannesburg car dealership. It would be followed by more payments in the tens of thousands range, over the next few months. Evidence leader Advocate Matthew Chaskalson questioned the logic in Kodwa's version that Mackay only made the April payment to help him out.

If the situation was that he was only helping a friend during financial difficulties, why would most of the R1-million be used to purchase a luxury vehicle?

"Well, that's the wisdom of a debate which I make in the [opening] statement, whether to spend R10 000 or R20 000. Is it something reasonable? It's the wisdom that we can debate, and I don't think it's a matter, chairperson, that I could justify. Perhaps I should have thought of a smaller car of R20 000, a Corolla," Kodwa replied.

Three government contracts were in the Department of Home Affairs, the Eastern Cape education department and Sassa.

"I did not come before you to pull wool over your eyes or deny that I often received payments from a friend identified in the questions sent to me by the secretariat of the commission," Kodwa said in his opening statement.

"I came to assure you that such payments were indeed financial help from a friend and yes, they sometimes involve figures that seem high. However, I assure you that it was due to my financial difficulties and sometimes need for accommodation as I travelled."

The accommodation was at Barbados Villa in Cape Town, and according to Powell, was enjoyed by Kodwa intermittently between November and December 2015. Kodwa said he was always under the impression that, like the money, these were favours from Mackay personally and not at a cost to his employer.

"Mr Mackay, as I understand, has a number of properties in Cape Town," said Kodwa. Whenever he was in Cape Town and could not stay at one of the properties he believed to be Mackay's, said Kodwa, an arrangement would be made by Mackay to house him in properties that he had access to.

The chef was not hired specifically for his comfort, said Kodwa, but was always part of the package. "These are the difficulties when you receive hospitality offerings," he said, adding that Powell created the impression that he as a national leader enjoyed lavish stays at taxpayers' expense.

"I've always had an understanding ... that I had no interaction with EOH or any of its entities. The person I always interacted with, in terms of assistance, is Mr Mackay," said Kodwa

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