

# Media Statement



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**TO: ALL MEDIA**

**DATE: 22 NOVEMBER 2019**

**RE: PROSECUTION OF AMATHOLE DISTRICT MUNICIPALITY MUNICIPAL  
MANAGER AND OTHERS FOR TENDER FRAUD AND CORRUPTION OF OVER  
R600 MILLION**

Today, the state charged thirteen accused persons, involved in the Amathole District Municipality (ADM) 'pit toilet tender scandal' involving over R600 million with contravening Section 173(1) of the Municipal Management Finance Act, 56 of 2003, tender fraud, money laundering and corruption.

The accused appeared at the East London Magistrate's Court after their arrest by a multidisciplinary investigation team including the Hawks yesterday. They were all granted R40 000 bail, except accused number 2 whose bail was fixed at R10 000. Further bail conditions were that they must hand over their documents to the Investigating Officer and request written approval from him when they intend to travel beyond the borders of South Africa.

Their names and positions held during the commission of the alleged offences:

Accused 1, **NTSOKOLO CHRIS MAGWANGQANA**, Municipal Manager of the ADM.

Accused 2, **NKOSINATHI SOGA**, Chief Financial Officer of the ADM.

Accused 3, **MPUMELELO SHEZI**, Director of Engineering Services of the ADM.

Accused 4, **LULAMA TALENI**, Director of Corporate Services of the ADM.

Accused 5, **ONGAMA MAHLAWE**, Acting Chief Executive Officer of MISA.

Accused 6, **GOODMAN NTANDAZO VIMBA**, Executive Manager: Vendor, Legal and Contracts Management of MISA.

Accused 7, **BONGANI MPELUZA**, sole director of SIYENZA.

Accused 8, **EDDISON VUYANI GAGA**, sole director of SIYENZA (EASTEN CAPE).

Accused 9, **HELEN BUSISIWE KWINANA-BOADI**, Chief Financial Officer of SIYENZA.

Justice in our society, so that people can live in freedom and security

Accused 10, **LOVEMORE KHATIVHU**, Head of Operations for SIYENZA.

Accused 11, **BLUE NIGHTINGALE TRADING 397**

It is the state's case that the accused concluded a prior agreement to appoint SIYENZA as the sole service provider in order to misappropriate funds earmarked for the sanitation project by the ADM. The poorest of society within the ADM have been prejudiced, robbed of basic services, and their basic human rights infringed by individuals and State officials who were in positions of power and trust, but instead plundered the state coffers for their personal benefit.

The Asset Forfeiture Unit (AFU) already obtained a forfeiture order on 21 August 2018 against Mpeluza's Lanseria house, acquired using R18 million from the sanitation project's funds.

The Acting Director of Public Prosecutions for the Eastern Cape Division, Advocate Indra Goberdan, is confident that the excellent working partnership between the investigating agencies, the prosecution and AFU will ensure that perpetrators of corruption and organized crime are brought to justice as the efforts to reclaim the state are materializing.

The case has been remanded to 05 February 2020.

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