



The need for effective civil activism  
has never been clearer

*Accountability needs transparency*

# Organisation Undoing Tax Abuse (OUTA) annual report for the period **1 March 2023** to **29 February 2024**

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# ABBREVIATIONS USED IN THIS REPORT

- Administrative Adjudication of Road Traffic Offences Act (Aarto)
- Bakwena Platinum Corridor Concessionaire (Bakwena)
- Constitutional Court (Concourt)
- Community Action Network (CAN)
- Electoral Commission (IEC)
- Gauteng Freeway Improvement Project (GFIP)
- Independent Power Producer (IPP)
- Independent Regulatory Board for Auditors (IRBA)
- Integrated Resource Plan (IRP)
- Konrad Adenauer Stiftung (KAS)
- Members of Parliament (MPs)
- N3 Toll Concession (N3TC)
- National Energy Regulator of South Africa (Nersa)
- National Nuclear Regulator (NNR)
- National Prosecuting Authority (NPA)
- National Student Financial Aid Scheme (NSFAS)
- Organisation Undoing Tax Abuse (OUTA)
- Platform to Protect Whistleblowers (PPLAAF)
- Public Affairs Research Institute (PARI)
- Political Party Funding Act (PPFA)
- Promotion of Access to Information Act (PAIA)
- Represented Political Parties' Fund (RPPF)
- Risk Mitigation Independent Power Producer Procurement Programme (RMIPPPP)
- Road Accident Fund (RAF)
- Road Traffic Infringement Agency (RTIA)
- Road Traffic Management Corporation (RTMC)
- Sector Education and Training Authority (SETA)
- South African Airways (SAA)
- South African Institute of Chartered Accountants (Saica)
- South African National Roads Agency Ltd (Sanral)
- South African Police Service (SAPS)
- Special Investigating Unit (SIU)
- State-owned entity (SOE)
- Supreme Court of Appeal (SCA)
- Technical and Vocational Education and Training (TVET)
- Trans African Concessions (Trac)
- Wastewater Treatment Works (WWTW)
- Water Community Action Network (WaterCAN)

# THE OUTA CREDO

SOUTH AFRICA'S SOVEREIGNTY AND CONSTITUTIONAL DEMOCRACY HAS BEEN HARD EARNED. ITS BEAUTY AND ABUNDANCE OF NATURAL RESOURCES AND DIVERSE CULTURAL HERITAGE IS PRECIOUS TO US.

Our potential for higher prosperity is immense, and limited only by those in authority who consciously choose to abuse their power, joined by those who stand by and choose not to take action.

Corruption and cronyism are the products of leadership distracted by greed and matters of self-interest.

Silently and steadily, it carves away at our nation's soul. It disempowers the poor of their rights and receipt of decent education, employment, health, water, housing and security.

We, the people, society and business, have two choices:  
We can look away and do nothing.  
Or we can take action and halt the decay.

## At OUTA, we choose to take action.

We do so without fear, through a focused strategy and motivated team that holds accountable those in authority who ignore their responsibilities and run roughshod over our constitutional values.



Holding government accountable

## **OUTA VISION**

A prosperous country with an organised, engaged and empowered civil society that ensures responsible use of tax revenues throughout all levels of government.

## **OUTA MISSION**

Using clear, effective methodologies and project management processes, through multi-disciplined high-performance teams, OUTA is a trusted vehicle for advocacy and positive change by:

Challenging and taking action against maladministration and corruption and, where possible, holding those personally responsible to account for their conduct and actions.

Challenging decisions, legislation and the regulatory environment as and when deemed as irrational, unfit or ineffective for their intended purpose.

Working with civil society and authorities to improve administration and service delivery, in all spheres of government.

## **OUTA VALUES**

**Integrity | Resilience | Courage | Tenacity**  
**Humility | Inclusivity | Accountability**

# OUTA CHAIRPERSON'S REPORT



**SIMILE NDLOVU**  
**OUTA CHAIRPERSON**

The 2023 Transparency International *Corruption Perceptions Index* report indicates that South Africa received a score of 41 (out of 100), which is below the global average of 43. Based on the ranking, South Africa is classified as a flawed democracy. South Africa is ranked at 83 out of 180 countries, which is a decline considering that in 2018, we received a score of 43 and we were ranked 73 out of 180 countries, and in the 2022 report, we ranked at 72 out of 180 countries. It is up to all of us as South Africans to arrest this slippery slope, to avoid being counted among the worst in the world like Syria, Venezuela, and Somalia, who all received the lowest rankings. This we can achieve by holding those in public office to doing things right.

Just like 1994, 2024 is a watershed year for South Africa for a myriad of reasons. One of them is that South Africa is going to hold its seventh democratic elections since the fall of apartheid. Between now and the previous elections, nothing substantial has been done to arrest the high levels of corruption despite the conclusion of the *Judicial Commission of Inquiry into Allegations of State Capture, Corruption and Fraud in the Public Sector including Organs of State*, commonly known as the Zondo Commission. Many of those who were implicated in the Zondo Commission have not faced any consequences and most of the recommendations have not been implemented. On a positive note, we welcome the amendment of the Prevention and Combating of Corrupt Activities Act, 2004 (PRECCA), which

**“The extent of the work conducted by OUTA indicates that we keep punching above our weight.”**

requires organisations to have measures to prevent and detect corrupt activities. This will go a long way in fighting acts of corruption in the country.

Recently, OUTA exposed acts of irregular conduct involving the Chairperson of NSFAS, and we have also seen the former Speaker of Parliament being arrested for corruption. There are many of these cases, which indicates that we should not dare drop the ball. Compounding the problem for ordinary South Africans are high levels of poverty, inequality, and unemployment, which are exacerbated by the poor performance of the economy, high interest rates, load shedding, water shortages or poor quality of water, high levels of violent crimes, dilapidated public infrastructure, among other ills.

As indicated in the OUTA Credo, “We, the people, society, and business, have two choices: We can look away and do nothing. Or we can take action and halt the decay”. OUTA has for many years

Without access to  
information, things  
are not always what  
they seem

**TRAP**

**OUTA**  
ORGANISATION UNDOING TAX ABUSE

chosen to hold those in positions of power to doing the right thing. The end of e-tolls in Gauteng is a testimony to the fact that as OUTA we remain faithful to our credo. We are glad that we played a cardinal role in making that a reality.

Our efforts to ensure the responsible use of tax revenues in the 2023/24 financial year resulted in the opening of 28 projects and we closed 34, with 35 projects in progress at year end. Since the amendment of the OUTA mandate in 2016, we have undertaken 286 projects and achieved a success rate of 85% of all applicable projects closed. The details of current projects are reflected in OUTA's annual report. The extent of the work conducted by OUTA indicates that as an NPO with 40-odd employees, we keep on punching above our weight.

The work that we did was made possible by an increase in our revenue of 7.8%, to R41.5 million (R38.4 million in the prior year). The tough

economic conditions have resulted in the decline of our individual donors, but thankfully that shortfall was closed by the corporate donors. The prudent financial management is also reflected in the operating expenses, which declined by R112 206 or 0.35% compared to the 2022/2023 financial year. Overall, the surplus was just above break even at R37 224, slightly down on the prior year of R126 856, but in line with our strategy as an NPO.

A lot has been achieved by OUTA since the mandate was broadened in 2016. The challenges facing the country are growing, multifaceted and complex. The board and management are exploring different strategies and approaches on how OUTA can best continue serving South Africa by ensuring that there is responsible use of tax revenues throughout all levels of government and that we all live as per the ideals and tenets of the Constitution of the Republic.

# OUTA CEO'S REPORT

WAYNE DUVENAGE  
OUTA CEO



During 2023/24, we had hoped to see significant moves by the government on implementing the recommendations of the State Capture Commission. We have been disappointed by how little has transpired in this regard.

On the contrary and unsurprisingly, in the run-up to the 2024 national and provincial elections, we see attempts by the ruling party to re-elect many implicated in the State Capture Commission's report, along with little to no focus on strengthening the state's structures and mechanisms to tackle corruption and maladministration within the public sector.

We have witnessed how parliament – under the influence of the ANC majority party – thwarts the implementation of the State Capture Commission recommendations, coupled with delays in electoral reform, whilst at the same time this year more than any other, we have seen a substantial increase in the allocation of state funds to political parties represented in parliament.

Without meaningful electoral reform (which essentially seeks to have the electorate voting for the political party's actual candidates in a constituency-based structure), we will continue to witness the appointment of parliamentarians who

do not grasp the importance of their roles as the citizens' line of defence against poor performance and failures of the national executive. This is largely why parliament did not itself initiate any actions or recommendations as recommended by the State Capture Commission's reports, but instead chose to wait until President Cyril Ramaphosa submitted his response to the commission's report to parliament in October 2022, a response which was disappointing and lacked decisive action.

We concur with Chief Justice Raymond Zondo's remarks in July 2023 – a year after the commission's last report was handed over to the Presidency – that if there was another attempt at state capture, parliament would fail to prevent it. He was also emphatic that state capture had placed South Africa's democracy at risk.

Of significant importance in Chief Justice Zondo's recommendations is the need for better protection for whistleblowers and for reduced political interference in the appointment of CEOs and CFOs of state-owned entities and their boards. We were frustrated to see the political interference in the appointment of the Secretary to Parliament in May 2022, when the appointee, Xolile George, had his salary quietly increased months later from the advertised R2.6 million to R4.4 million.

**“Preventing public corruption also requires an effort from all members of society at large. For these reasons, the Convention calls on countries to promote actively the involvement of non-governmental and community-based organisations, as well as other elements of civil society, and to raise public awareness of corruption and what can be done about it.”**

*United Nations Convention Against Corruption*



In our annual Parliamentary Oversight Reports, OUTA has repeatedly identified alarming deficiencies in the work of parliament's portfolio committees. We also exposed the lack of MP constituency work, the significant absence of ministers from committee meetings and a tendency to rubber-stamp executive decisions, no matter how dubious these appear to be at times. The cumulative effect of these shortcomings erodes public trust and undermines the integrity of parliament as an institution.

In collaboration with the Parliamentary Monitoring Group (PMG) and OpenUp, and with the support of European Union funding, OUTA has recently launched the development of its parliamentary oversight and performance reporting dashboard, to improve civil society's analysis of the performance of parliamentarians going forward.

Of significant concern to us is the increase in public funding for the Represented Political Parties' Fund, which runs through the Home Affairs budget. This budget has allocated political parties **R1.814 billion** over three years, based primarily on a pro-rata basis to their seats in Parliament (R642 million in 2022/23, R850 million in 2023/24 and R322 million in 2024/25). This is taxpayers' money that political parties have voted to pay themselves.

Now, compare this to the budget allocated to the NPA's Investigating Directorate (ID), whose mandate is to investigate and prosecute high-profile and complex crimes, especially under the Prevention of Organised Crime Act, the Prevention and Combatting of Corrupt Activities Act, and the Public Finance Management Act, which is where the backlog of state capture cases reside. Over this same period, the ID received **R750 million** (R179 million in 2022/23, R260 million in 2023/24 and R311 million in 2024/25). This is a clear indication that parliament is not serious about rooting out state capture. It would appear that the political parties represented by the Members of Parliament are direct beneficiaries of funds looted from the state.

## Budget 2024 - South Africa's war against corruption

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### What we see: Parliament prioritises VIP protection & funding for parties over fighting corruption

**1 year: Anti-corruption units vs VIP protection**  
 In 2024/25, the Investigating Directorate, AFU, SIU and Hawks together get R3.434bn. VIP protection for politicians (VIP Protection Services & Static Protection) gets R3.665bn.

**3 years: Political parties got 4 ½ times as much as Investigating Directorate**  
 In the three years 2022/23 to 2024/25, the parties received R3.444bn. Over those three years, the NPA's Investigating Directorate received R750m.

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### These are the detailed numbers:

#### Justice and Constitutional Development

**Special Investigating Unit**  
 (The SIU also charges depts & entities for investigations)  
 2022/23: R452m with 601 staff  
 2023/24: R490m with 725 staff  
 2024/25: R450m with 800 staff

**National Prosecuting Authority**  
 2022/23: R5.013bn with 6 020 staff  
 2023/24: R5.391bn with 6 291 staff  
 2024/25: R5.889bn with 6 618 staff

**The NPA budget includes the Investigating Directorate & Asset Forfeiture Unit**

**Investigating Directorate (ID, part of NPA)**  
 2022/23: R179m  
 2023/24: R260m  
 2024/25: R311m

**Asset Forfeiture Unit (AFU, part of NPA)**  
 2022/23: R220m  
 2023/24: R254m  
 2024/25: R261m

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#### Police

**Hawks**  
 (Directorate for Priority Crime Investigation, listed as Specialised Investigations within the Detective Services)  
 2022/23: R2.246bn  
 2023/24: R2.305bn  
 2024/25: R2.412bn

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#### Protection for politicians

**Police**  
**VIP Protection Services and Static Protection**  
 2022/23: R3.371bn  
 2023/24: R3.431bn  
 2024/25: R3.665bn

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#### Money for parties to hold onto power

**Political parties already represented in parliament receive public funding.**

**Home Affairs vote: Represented Political Parties' Fund**  
 2022/23 R642.077m (including 1 mid-year bailout)  
 2023/24 R850.345m (including 2 bailouts)  
 2024/25 R322.077m (no bailouts yet)

**Parliament vote: Transfers to represented political parties**  
 2022/23 R513.031m  
 2023/24 R544.500m  
 2024/25 R571.725m

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#### New Entities

**In January 2022, the State Capture Commission recommended establishing new entities to combat corruption:**  
 Anti-Corruption Authority or Agency  
 Public Procurement Anti-Corruption Agency  
 They are still not established and there is nothing for them in the Budget.

## PROJECT HIGHLIGHTS

This annual report contains significant details of the work undertaken on many of our projects throughout the past year. I highlight here but a few pertinent matters that gained traction, the most obvious one being the eventual scrapping of the e-tolls in Gauteng, which has gone through many false declarations of the scheme's closure. A gazette published on 28 March 2024 formally declared the gantries would be switched off from 11 April 2024 for e-toll collection purposes. This is a significant milestone in OUTA's work, which was the project the organisation was born out of in 2012.

During the past year, OUTA reported on its successful challenge to overturn the national state of disaster declared in connection with the electricity crisis, not because we don't believe the country has an electricity crisis, but rather that we believe that declaring a national state of disaster was completely unnecessary and would enable government to bring in rushed and uncontested decisions such as the Karpowership electricity option. OUTA is currently challenging the National Energy Regulator of South Africa (Nersa) in court

over the Karpowership decisions, as we believe Nersa's decision to grant the Turkish Karpowership company electricity generation licences was grossly flawed.

While we lost our legal case in the Constitutional Court to have the Administrative Adjudication of Road Traffic Offences Act (Aarto) sent back to the drawing board, we maintain the scheme's failures will play out in administrative challenges to traffic fines and the driver's licence point demerit system. We are already witnessing local municipalities (such as Cape Town and Swellendam) defying the Aarto system and structures, issues that we raised in our court challenge but which were overlooked. This is an example of the law being a blunt instrument. While on paper it may appear to be correct, in reality the law cannot ensure the successful implementation of the scheme.

Our ongoing challenge to the South African National Roads Agency Ltd (Sanral) over three toll road concessionaires' financials and profitability rumbled on throughout the year and will hopefully gain significant traction in the coming year. This is just another example of how slow our court processes are in dealing with pertinent matters.

## Blowing the whistle on corruption

**140** reports received from whistleblowers through OUTA's secure Whispli whistleblower platform which enables anonymity

OUTA follows up on as many of these reports as possible, but must prioritise those that fall within our mandate, expertise and capacity

### **30** reports taken up

- **20** in preliminary investigation
- **10** require additional information

### **110** reports not taken up

- **30** do not meet the OUTA mandate
- **44** had inadequate information
- **3** were duplications
- **33** other reasons

**BLOW THE WHISTLE**

**OUTA**  
ORGANISATION UNDOING TAX ABUSE

Over the past year, our work with whistleblowers to uncover grand corruption within the National Student Financial Aid Scheme (NSFAS) and the Services Sector Education and Training Authority (Services SETA) eventually gave rise to the dismissal of the NSFAS CEO, Andile Nongogo, and the leave of absence of the NSFAS board chairperson, Ernest Khosa.

## OTHER SOLUTIONS

This past year produced significant growth in the activities and exposure of OUTA's new initiative, WaterCAN, where our focus is on developing a network of water activists to highlight and challenge the authorities on poor water quality issues.

Our Community Action Network (CAN) continues to empower local communities throughout the country with their rights and abilities to challenge poor service delivery by municipal authorities, whilst also taking certain self-help actions to address the decay within their areas. The CAN initiative has also given rise to our recent formation of JoburgCAN, to focus on such matters within the City of Johannesburg.

We also continue to roll-out our LINK app, which seeks to assist municipalities and residents in the easy reporting of infrastructure and service delivery problems.

## IN CLOSING

The past financial year has been another busy year for OUTA. We opened 28 new projects and closed off 34, with 35 projects still in progress at the close of the year. In total since 2016, OUTA has opened 286 projects and closed off 251, with 85% of these deemed as being successful.

Our revenue was up by 7% on the prior year, due to a few large donor contributions that brought some much-needed relief, given that our crowd-funding donor base has been steadily declining on the back of a tougher economy. Fortunately, we



were able to allocate some surplus funds toward our future litigation and development provisions and maintain a positive cash flow.

As we move into the next financial year, we will be confronted by the political dynamics that will evolve from coalition politics and will play out now at the national government level, as well as in the provinces of Gauteng and KwaZulu-Natal.

The team at OUTA has become acutely aware over time that our work will continue to be very necessary, regardless of the political dynamics that unfold. Corruption networks and maladministration have permeated all sectors of government, and any meaningful shift in the political landscape will require the work and assistance of civil society for years to come.

I'd like to thank our incredible team at OUTA for their commitment to OUTA goals, and to our supporters who contribute to us every month for fueling our energy.

# OUTA BOARD 2023/24



**Simile Ndlovu**  
(Chair\*, Non-executive)



**Adv Simi Pillay-van Graan**  
(Non-executive)\*



**Phumlani Majozi**  
(Vice-Chair, Non-executive)



**Wyna Modisapodi**  
(Non-executive)



**Zwannda Mukwevho**  
(Non-executive)

\* Chair from September 2023

\* Chair until 11 July 2023



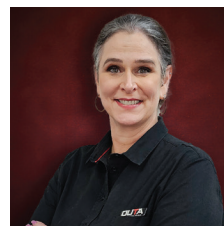
**Paul Pauwen**  
(Non-executive)



**Thuto Skweyiya**  
(Non-executive)



**Wayne Duvenage**  
(Executive: CEO)



**Adv Stefanie Fick**  
(Executive)

# OUTA EXECUTIVE COMMITTEE



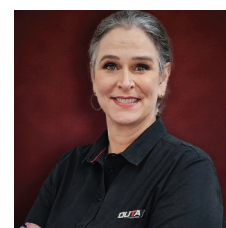
**Wayne Duvenage**  
(CEO)



**Dr Ferrial Adam**



**Kerry de Jonge**



**Adv Stefanie Fick**



**Julius Kleynhans**



**Greig Morrison**



**Samantha van Nispen**

## OUTA BOARD OF DIRECTORS 2023/24

Director	Date appointed	Director status	Audit and Risk Committee (ARC)	Remuneration Committee (REMCO)
Simile Ndlovu*	Jan 2022	Chairperson, non-executive director		
Phumlani Majozi**	March 2017	Vice chair, non-executive director		Member
Wyna Modisapodi	April 2018	Non-executive director		Chairperson
Zwannda Mukwevho	Nov 2021	Non-executive director	Chairperson	
Paul Pauwen	April 2012	Non-executive director	Member	Member
Adv Simi Pillay-van Graan***	April 2018	Non-executive director		
Thuto Skweyiya	Jan 2022	Non-executive director	Member	
Wayne Duvenage	April 2012	Executive director: CEO		
Adv Stefanie Fick	April 2018	Executive director		

\* Appointed Chair on 27 September 2023 \*\* Acting Chair 12 July to 27 September 2023 \*\*\* Chair until resignation as board member wef 11 July 2023

## OUTA DIRECTORS' ATTENDANCE AT BOARD MEETINGS 2023/24

Director	26 April 2023	AGM 30 May 2023	28 June 2023	27 Sept 2023	24 Jan 2024
Simile Ndlovu	Yes	Yes	Yes	Yes	Yes
Phumlani Majozi	Yes	Yes	Yes	Yes	Yes
Wyna Modisapodi	Yes	Yes	Yes	Yes	Yes
Zwannda Mukwevho	Yes	Yes	Yes	No	Yes
Paul Pauwen	No	Yes	Yes	Yes	Yes
Adv Simi Pillay-van Graan	Yes	Yes	Yes	Resigned	Resigned
Thuto Skweyiya	Yes	Yes	Yes	Yes	Yes
Wayne Duvenage	Yes	Yes	Yes	Yes	Yes
Adv Stefanie Fick	No	Yes	Yes	No	Yes

## COMMITTEE ATTENDANCE 2023/24

### Audit and Risk Committee (meets quarterly)

Director	12 April 2023	21 June 2023	20 Sept 2023	16 Jan 2024
Adv Simi Pillay-van Graan	Yes (Chair)	No	Resigned	Resigned
Paul Pauwen	Yes	Yes	Yes	Yes
Zwannda Mukwevho	Yes	No	Yes	Yes (Chair)
Simile Ndlovu	Not on committee	Yes (Chair)	Yes (Chair)	Not on committee
Thuto Skweyiya	Not on committee	Yes	Yes	Yes

### Remuneration Committee

### (meets annually)

Director	13 Sept 2023
Phumlani Majozi	Yes
Adv Simi Pillay-van Graan	Resigned
Paul Pauwen	Yes (acting Chair)
Wyna Modisapodi	No

# Overview of OUTA Projects 2023/24

**ADV STEFANIE FICK**  
**EXECUTIVE DIRECTOR:**  
**ACCOUNTABILITY DIVISION**



## Work on OUTA legal actions continued through 2023/24.

A key theme running through these cases is challenging the lack of transparency by government on crucial, hugely expensive decisions. At the start of the year, OUTA's legal challenge to the national state of disaster declared over the electricity supply crisis resulted in the government withdrawing the state of disaster declaration and paying OUTA's legal costs. This was a big win for civil society. While we regard the electricity supply issue as a crisis, we do not believe it was "sudden" or that a state of disaster would have addressed it effectively.

OUTA's case challenging the National Energy Regulator of South Africa (Nersa) decision to award generation licences to the Karpowership independent power producers continues. We ended the year in stalemate: we are demanding the full unredacted copy of Nersa's reasons for deciding to award the licences – including the projected costs of the electricity generated – but Nersa and Karpowership refuse to provide this. Meanwhile, the Karpowership companies missed their final deadline for financial closure in December 2023, so lost their Eskom grid access, which seems to be the end of these bids.



Image: Facebook/NSFAS



Image: Wikimedia



Image: Shutterstock



Image: Flickr/GovZA



*Launching the Enhancing Accountability Programme in October 2023 with, from left, OUTA parliamentary engagement and research manager Rachel Fischer, OUTA CEO Wayne Duvenage, EU Ambassador Sandra Kramer, and OUTA executive director Advocate Stefanie Fick.*

OUTA's court challenges to the lack of transparency over the South African National Roads Agency Ltd (Sanral) toll concession contracts continue. OUTA wants to know how much profit the concessionaires make on these state-owned national roads. Sanral and the three concessionaires oppose this transparency. OUTA believes that transparency in public spending – even when the management of an asset is contracted out in this way – is crucial for public accountability.

OUTA ran an ongoing investigation into the National Student Financial Aid Scheme (NSFAS) which resulted in the dismissal of the CEO, Andile Nongogo. The board chair is on leave pending an investigation. Our investigations exposed considerable rot in the tertiary education and training institutions of NSFAS and the Services Sector Education and Training Authority (Services SETA). We opened a criminal complaint against Nongogo, implicated in corruption in our reports on both NSFAS and the Services SETA.

OUTA has made various submissions during the year, commenting on policy and proposed legislation. These include calling for the SABC Bill to be thrown away and rewritten to include a coherent plan to fund this important state broadcaster, for a rewrite of the Road Accident Fund Amendment Bill, for better governance in the National Nuclear Regulator

Amendment Bill, and for a complete rewrite of the General Intelligence Laws Amendment Bill to block unrestricted spying on citizens.

In October 2023, OUTA was selected as a recipient of the second tranche of the European Union-funded Enhancing Accountability Programme. This allows OUTA to work alongside esteemed partners to promote transparency, fight corruption, and bolster accountability within the parliamentary processes.

We published our fifth annual Parliamentary Oversight Report, which again found that parliament is a failed institution. South Africa needs ethical, hardworking parliamentarians who stand up against corruption and work in the public interest. We also monitored electoral reform, which, in our opinion, has not gone far enough.

OUTA's impatience with parliament and slow reform was illustrated in the run up to President Cyril Ramaphosa's State of the Nation Address (SONA) in February. "SONA So What," we said, and refused to listen.

*We hope 2024/25 will be better.*

# OUTA Projects 2023/24

“Corruption can be prosecuted after the fact, but first and foremost, it requires prevention.”

## United Nations Convention Against Corruption

### LEGAL CHALLENGE TO THE KARPOWSHIP GENERATION LICENCES



Image: Shutterstock

On 26 April 2022, OUTA lodged a legal challenge in the Pretoria High Court against the decisions of the National Energy Regulator of South Africa (Nersa) to grant electricity generation licences to the three Karpowership independent power producer (IPP) companies. OUTA asked the court to review the decisions in terms of the Promotion of Administrative Justice Act and order Nersa to reconsider. Nersa and the Karpowership companies are opposing OUTA’s application, while Eskom indicated it would abide by the decision of the court.

Nearly two years later, the case is still continuing.

The Risk Mitigation Independent Power Producer Procurement Programme (RMIPPPP) was initiated by the Minister of Mineral Resources and Energy in 2020, and a request for proposals was subsequently issued for projects to be in commercial operation by June 2022. In March 2021, the Karpowership IPPs were included in the preferred bidders announced

and, in September 2021, Nersa awarded the Karpowership generation licences.

OUTA believes that Nersa failed to consider the environmental, social and economic impacts of the ships when granting the licences, that Karpowership failed to obtain environmental authorisations, port authorisations, water licences, emissions licences, waste management licences, various gas infrastructure construction, operating and trading licences, fuel supply agreements and power purchase agreements, and that Nersa’s decisions were procedurally unfair, irrational and unlawful.

A key aspect of OUTA’s case revolves around the lack of transparency on the projected price of electricity linked to Karpowership: the Karpowership bid price was about R1.50 per kilowatt hour (kWh) and Nersa said this would be up to R2.80/kWh from April 2022. However, an independent consultant used by OUTA estimated the price in April 2022 was close to R5/kWh, roughly two to three times the cost of alternative generation methods. OUTA’s application questions how Nersa assessed the costs.

As part of the application, OUTA called for a full and unredacted copy of Nersa’s record of the decisions and the reasons for the decisions. Nersa provided only a redacted copy. On 23 January 2023, OUTA filed an application calling on the court to compel Nersa to provide the full record. Nersa and Karpowership are opposing this and will not even identify the information being withheld.

During 2023, the parties filed various papers in the application to compel, including answering affidavits by Nersa and Karpowership, a replying affidavit by OUTA, and requests for more



documentation by OUTA. In January 2024, OUTA filed heads of argument in this application. “These are review proceedings. An applicant in review proceedings is in principle entitled to the complete record,” said OUTA in its heads, explaining that Nersa has a duty in terms of the Constitution to disclose the full record to the applicant in review proceedings. The respondents, Nersa and Karpowership, are due to file heads of argument by 30 April 2024.

The application to compel is set down for hearing on 4 to 6 June 2024, and will be heard together with a similar application brought by civil society organisation The Green Connection.

On 31 December 2023, Karpowership missed its final extended financial closure deadline and, in early January 2024, Eskom said it would no longer reserve the agreed transmission capacity for RMIPPPP projects which had failed to meet that final deadline.

More information on OUTA’s action and the court papers are [here](#).

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## OUTA OVERTURNS THE NATIONAL STATE OF DISASTER ON ELECTRICITY

In 2023, OUTA succeeded in overturning the national electricity state of disaster.

On 8 February 2023, President Cyril Ramaphosa announced that a national state of disaster had been declared in connection with the electricity supply constraints. On 16 February 2023, OUTA filed an urgent application in the Pretoria High Court against the government, asking the court to review the government’s decisions to declare the state of disaster and set them aside, which would end the state of disaster.

Two months later, on 5 April 2023, the State Attorney formally informed OUTA’s lawyers in writing that the government would withdraw the national state of disaster and revoke the classification of the electricity supply constraints as a national disaster, which would effectively end



OUTA’s legal action against the government, and undertook to pay OUTA’s wasted court costs. This notification came while OUTA was waiting for the state’s answering affidavits, which were overdue. Hours later, the formal notice by the Minister of Cooperative Governance and Traditional Affairs withdrawing the state of disaster was gazetted.

*This was a significant win for civil society.*

OUTA challenged the state of disaster because it believed that the decisions to classify the electricity supply crisis as a disaster and, on that basis, to declare a national state of disaster were irrational, arbitrary and unlawful. South Africa has struggled for more than 15 years with electricity shortages, which could not overnight transform into a national disaster. The Disaster Management Act says disasters do not include occurrences which can be dealt with effectively in terms of other national legislation, and such legislation exists to deal effectively with emergency electricity procurement. OUTA was also concerned that the state of disaster would be used to abuse powers and enable large-scale looting, but would not help to resolve the electricity crisis.

“Years of state capture, mismanagement and a dysfunctional culture cannot be a rational justification for the declaration of a national state of disaster,” said OUTA’s founding affidavit in the application. “If the decision to declare a national state of disaster due to this self-created crisis by the government is allowed to stand, it will open the floodgates for further such disasters to be declared in various other sectors that suffered from similar dysfunction, mismanagement, and corruption. Declaring a national state of disaster will, in effect, become a tool for the government to circumvent accountability and hide behind the

# OUTA Projects 2023/24

excuse of a disaster to reach an apparent ‘quick fix’ for problems that were years in the making.”

As OUTA’s action was an application for judicial review of the decisions, the state was obliged to provide OUTA with a copy of its decisions to classify the electricity shortages as a national disaster and to declare a national state of disaster. This record showed the arbitrary manner in which the decisions were taken, and that the decision-makers acted unlawfully and beyond their powers.

More information on this project is [here](#).

## SUBMISSION ON A LICENCE FOR THE NEW TRANSMISSION SOE

On 11 April 2023, OUTA made a submission to Nersa on the application for a transmission licence by the new National Transmission Company of South Africa (SOC) Ltd, formed as a wholly owned subsidiary of Eskom as part of the unbundling of Eskom, and the transfer of the relevant Eskom powers to the new company.



OUTA’s submission supported the restructuring of Eskom as part of a just transition. OUTA also raised some concerns, including around costs: in Eskom’s pricing application for 2023/24, transmission formed 3% of current costs, yet the fixed costs part of the Eskom tariffs (the fixed monthly charge, which includes network costs) is much higher. OUTA also raised the issue of Eskom receiving bailouts from the National Treasury and still making varying amounts of profit but electricity prices continue to rise. This is a broad concern over how Eskom operates but OUTA is concerned that the transmission company may operate in a similar way.

The presentation to the public hearing is [here](#).

## OBJECTING TO THE ESKOM PFMA EXEMPTION



*Stefanie Fick  
Image: YouTube/SABC*

On 31 March 2023, Minister of Finance Enoch Godongwana gazetted a notice granting Eskom partial exemption from a section of the Public Finance Management Act, exempting it from disclosing irregular, fruitless and wasteful expenditure in its annual financial statements for 2022/23 and the following two years.

OUTA was among a number of civil society organisations which publicly objected to this, saying there was an extremely high level of distrust in government due to corruption and mismanagement. The minister subsequently withdrew the notice, and then issued a call for

comment on the possibility of such a declaration. On 20 April 2023, OUTA made a submission to the National Treasury objecting to the exemption, saying that instead of addressing the root causes which created the prime environment for irregular, fruitless and wasteful expenditure to multiply, the government continued to feed the problem, and that Eskom should show that such problems were under control. In June 2023, the minister announced that the planned exemption would not proceed.

OUTA's submission is [here](#). Read more [here](#) and [here](#).

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## NATIONAL NUCLEAR REGULATOR: MORE INDEPENDENCE NEEDED

On 13 October 2023, OUTA made a submission to parliament's Portfolio Committee on Mineral Resources and Energy, on the National Nuclear Regulator (NNR) Amendment Bill.

A poster for OUTA's submission on the National Nuclear Regulator Amendment Bill. The poster features a blue and red geometric design with a background image of a nuclear reactor. The text on the poster includes the OUTA logo (Organisation Undoing Tax Abuse), the date 13 October 2023, the title of the submission, the committee it was submitted to, and contact information for Brendan Slade, OUTA's Legal Project Manager.

**OUTA**  
ORGANISATION UNDOING TAX ABUSE

13 October 2023

**OUTA submission on the  
National Nuclear Regulator  
Amendment Bill [B25 – 2023]**

Submitted to the Portfolio Committee on  
Mineral Resources and Energy

Submitted by:  
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In this submission, OUTA warned that parliament was missing an opportunity to address the NNR's independence and should have ensured a proper separation between the Minister of Mineral Resources and Energy and the NNR.

South Africa is a member state of the International Atomic Energy Agency (IAEA). South Africa also ratified the 1996 Convention on Nuclear Safety. In 2013, the IAEA visited South Africa to share lessons from the Fukushima disaster. A report was subsequently released and brought to the attention of the South African government. The IAEA found that "The Minister of Energy and the National Nuclear Regulator (NNR) are identified in the two Acts as having regulatory functions over nuclear activities. Considering that the Minister of Energy is also in charge of the promotion of nuclear energy and given that the Minister appoints the NNR Board and CEO, approves NNR's budget and promulgates regulations, the INIR [Integrated Nuclear Infrastructure Review] team is of the view that the separation between the regulatory functions and the promotional activities is not adequate, thus calling into question the effective independence of the NNR."

This finding speaks for itself and implies that there needs to be a proper separation between the Minister and the NNR.

OUTA believes this can be achieved through amending the NNR Act by transferring the powers conferred upon the Minister of Mineral Resources and Energy to another ministry that is not biased towards a particular technology, such as the Ministry of Forestry, Fisheries and the Environment.

It is imperative that the legislative framework and governance structures around nuclear energy can withstand political interference and uphold the independence of all regulatory bodies, including the NNR.

OUTA's submission is [here](#) and more on the bill is [here](#). More on OUTA calling for greater transparency in the NNR is [here](#).

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## NATIONAL STATE ENTERPRISES BILL: IS IT STRONG ENOUGH?

On 13 October 2023, OUTA made a submission to the Department of Public Enterprises on the Draft National State Enterprises Bill, which aims to replace the department with a holding company under which key state-owned entities (SOEs) will be controlled. The entities are not specified, as this bill sets up the holding company only.

OUTA raised concerns that this bill may not be sufficient to promote better governance of SOEs.

In theory, such an arrangement would naturally promote good governance based on established corporate principles and best practices.

However, centralisation of power is a key feature in this proposed holding company, which is counterintuitive if South Africa wishes to move away from a dysfunctional public service. The bill proposes the state as the only shareholder of the holding company – and it is only the president, as the shareholder representative, who could “hire and fire” the board. Of course, the president may transfer any powers or functions in terms of the bill to any cabinet member. It is not farfetched to believe that the holding company could maintain a culture of cadre deployment if professionalisation of the private sector is not incentivised or properly implemented.

“We believe that much-needed independence will not be achieved through the bill in its current form,” said OUTA’s submission.

As the bill stands, a lot of homework still needs to be done with significant public input.

At the time of the submissions, OUTA raised concern that parliament was rushing through three energy sector bills at the same time – this bill, the National Nuclear Regulator Amendment Bill and the Electricity Regulation Amendment Bill – giving the appearance of rushing through important legislation to clear the decks before the 2024 election.

OUTA’s submission is [here](#), and more on this issue is [here](#).



## OPPOSING THE INTEGRATED RESOURCE PLAN 2023

On 4 January 2024, the Ministry of Mineral Resources and Energy published the draft Integrated Resource Plan of 2023 (IRP 2023) for public comment by 23 February. OUTA and other civil society organisations called for a 60-day extension of the comment deadline because this is a crucial plan, it was published without critical information, only part of the missing information was subsequently made available, and there were

concerns about inaccuracies in the document provided. In mid-February, the comment period was extended to 23 March 2024. OUTA regards IRP 2023 as inadequate and out-of-date, and is making a submission calling for the plan to be recalled, reworked and reissued for public comment with adequate time for meaningful public consultation.

## OUTA LOSES AARTO CHALLENGE, STATE DELAYS ROLLOUT

OUTA's legal challenge to the Administrative Adjudication of Road Traffic Offences Act (Aarto) and the Aarto Amendment Act started in July 2020 in the Pretoria High Court. In January 2022, OUTA won this case when the high court found that the Aarto Act and the Aarto Amendment Act were unconstitutional and invalid. On 3 February 2022, OUTA applied to the Constitutional Court (Concourt) for confirmation of the Pretoria High Court ruling, as the Concourt must confirm any judgment declaring a law to be unconstitutional. The Minister of Transport and the transport entity, the Road Traffic Infringement Agency (RTIA), which had opposed OUTA's case in the high court, filed appeals against the high court judgment in the Concourt and also opposed OUTA's application for confirmation. A second transport entity, the Road Traffic Management Corporation (RTMC), joined the case in the Concourt to oppose OUTA's case. The City of Cape Town joined the case in the

Concourt as an amicus curiae (friend of the court) in support of the declaration of invalidity.

All the Concourt applications were heard in a single hearing on 15 November 2022.

On 12 July 2023, the Concourt dismissed OUTA's legal challenge, ruling that the Aarto legislation is constitutionally valid and thus legal. The Concourt judgment was written by Chief Justice Raymond Zondo and was unanimous. The Concourt disagreed with OUTA's position that the legislation unlawfully intruded upon the exclusive executive and legislative competence of local and provincial governments as envisaged in the Constitution, preventing local and provincial governments from regulating their own affairs. The Concourt did not make a costs order, which meant that the parties pay their own legal costs. OUTA was disappointed but abides by the Concourt ruling.

OUTA believes measures to improve road safety and reduce fatalities are urgently needed. However, it does not believe that Aarto will achieve this, as it is impractical. South Africa needs effective processes that are enabled by fair adjudication and which comply with the Constitution. Since then, the RTIA and Ministry of Transport have given various dates for the law to be rolled out, which were missed; the rollout is now set for 1 July 2024. However, the date the amended law takes effect had not been promulgated by the end of February 2024.

More information on the Concourt judgment is [here](#) and on OUTA's work on Aarto is [here](#).



# OUTA Projects 2023/24

## ROAD SAFETY: GOVERNMENT ASLEEP AT THE WHEEL

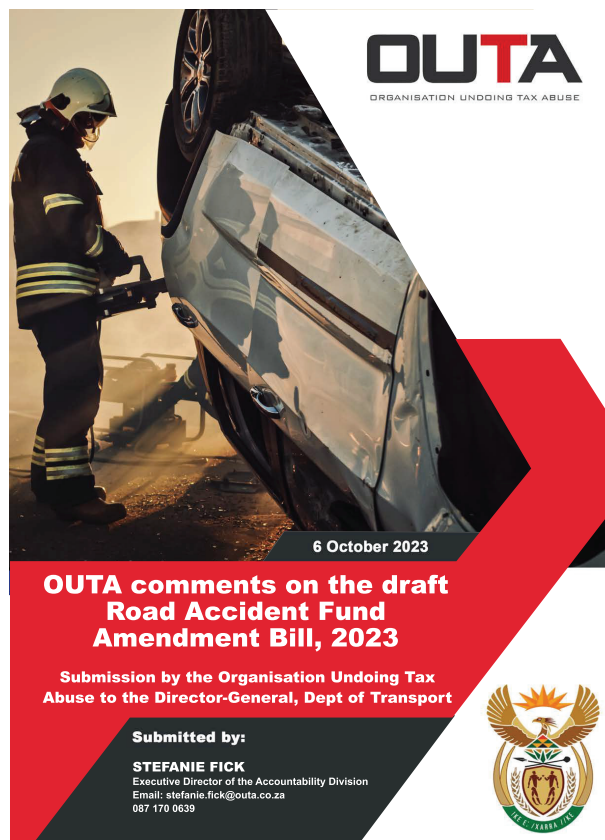
In May 2023, OUTA raised concern about the government's seeming inability to address road safety challenges. The Department of Transport is not living up to the promise of the National Road Safety Strategy 2016-2030, which is aimed at reducing road-related fatalities by 50% by 2030. South Africa is a signatory to the United Nations Decade of Action for Road Safety 2021-2030, which also aims to reduce road deaths and serious injuries by 50% by 2030. OUTA called for improvements, including: the development and use of a reliable framework for collection and reporting of road traffic crash data; the development of a national strategy with measurable targets to reduce road fatalities and serious injuries; refraining from relying solely on the updated Aarto law as a solution to road safety concerns; and holding those in various positions of authority responsible when targets are not achieved.

On 17 May 2023, OUTA released an advocacy brief, *Road safety as a South African concern*, available [here](#).

More information is [here](#).

## ROAD ACCIDENT FUND AMENDMENT BILL

On 9 October 2023, OUTA submitted comments to the Department of Transport on the Draft Road Accident Fund (RAF) Amendment Bill, as part of the public participation process. OUTA called for the bill to be redrafted before being submitted



to parliament. OUTA believes that the bill will not withstand legal scrutiny, and sees it as an unconstitutional, unreasonable and irrational cost containment measure for a failing fund. The bill does not do enough to address the many issues the RAF has with claims backlogs, fraud and corruption.

OUTA noted in its comments that although the RAF receives approximately R48 billion a year in funding from the fuel levy, the bill proposes a change in the object of the fund by changing the payment of compensation (as a statutory national insurer) to the provision of a social benefit (welfare) scheme. The bill aims to remove the common law rights of all road accident victims to claim compensation for injuries, and replace it with a package of “social benefits” which is inadequate, or completely removed for certain categories of people or claims. The envisaged “social benefits” will be far less than the losses actually suffered in a motor vehicle accident, while the fuel levy revenue received by the RAF will continue to remain in place and grow, as the levy and road traffic volumes increase.

The bill has yet to be introduced to parliament.

More information on this submission is [here](#).

## WAITING FOR THE DRIVING LICENCE EXTENSION



Image: Flickr/GovZA

Since 2020, OUTA has been calling for improvements in the chaotic driving licence card renewal process.

From 2020 to 2022, OUTA called for the validity of the licence cards to be extended from five years to ten years to improve efficiency and reduce costs for motorists, and provided the Ministry of Transport with research to back up the call. The driving licences themselves do not expire, only the cards which are proof of the licences. The ministry ignored OUTA's call.

The Gauteng online booking system gave endless trouble in 2020 and 2021. The sole machine available to print driving licence cards broke down on several occasions, leading to backlogs in processing cards. The Driving Licence Card Account – a trading entity of the Department of Transport with the sole job of producing driving licence cards – has for years been discussing procuring a new machine. However, by February 2024 this had still not been done, despite tenders being advertised and subsequently withdrawn.

OUTA wants to see a clear plan from government to address the widespread corruption and waste in the Driving Licence Testing Centre system and transport entities, but this is still not available.

OUTA wants transparency on fees. In November 2022, OUTA filed an application in terms of PAIA to the RTMC, calling for a copy of the RTMC's research report on the card validity period and clarity on the fees charged to motorists. The RTMC refused this and, in February 2023, OUTA filed an internal appeal against the refusal. The internal appeal was denied and, on 26 April 2023, OUTA filed a

complaint with the Information Regulator about the RTMC refusal to provide the information requested. The outcome is awaited.

When Fikile Mbalula departed as Minister of Transport in March 2023, he left the driving licence card system still unresolved (see [here](#)).

OUTA's complaint to the Information Regulator against the RTMC is [here](#).

More information on this project is [here](#).

## LONG ROAD TO TRANSPARENCY ON TOLL CONCESSIONAIRE PROFITS

OUTA wants to know how much the Sanral toll road operators (the concessionaires) are collecting, how much they hand over to Sanral and what profits they make.

During 2019 and 2020, OUTA submitted formal requests for information in terms of PAIA to Sanral asking for information on the contracts and financials of the three toll road concessionaires, N3 Toll Concession (N3TC), Bakwena Platinum Corridor Concessionaire (Bakwena) and Trans African Concessions (Trac). Sanral refused all these requests and OUTA went to court to challenge all three refusals. Sanral and the concessionaires have opposed all the applications. All matters are in the Pretoria High Court.

Progress on these matters has been slow, but OUTA has persevered due to the importance of transparency in public spending.



Image: Shutterstock

# OUTA Projects 2023/24

OUTA's case against Sanral over N3TC was filed in court in July 2020. After various delays, the matter was heard in October 2023. In November 2023, the court dismissed OUTA's application. In January 2024, the court dismissed OUTA's application for leave to appeal. On 26 February 2024 OUTA filed an application for leave to appeal to the Supreme Court of Appeal (SCA), requesting the court to grant it access to appeal the high court's decision. See OUTA's petition to the SCA [here](#).

OUTA's case against Sanral over Bakwena was filed in February 2021. After Bakwena joined the case in 2022 to oppose OUTA's application, a disagreement between OUTA and Bakwena over procedure resulted in an application by OUTA, which was heard in April 2023 and judgment granted in favour of OUTA in May 2023. In June 2023, Sanral and Bakwena filed answering affidavits in the main application, OUTA filed its replying affidavit in August 2023 and its heads of argument in October 2023. The matter is set down for hearing in March 2024.

OUTA's case against Sanral over Trac was filed in February 2021. Sanral failed to oppose OUTA's application, resulting in a judgment in OUTA's favour in November 2021 in which the court ordered Sanral to hand over the information. Sanral subsequently claimed its failure to oppose had been an oversight and, during 2022, brought an application for rescission of that judgment. In March 2023, the court granted Sanral's rescission application, rescinding the November 2021 judgment, and the main application resumed again. A date for a new hearing has yet to be set.

More information on this project and the court papers are [here](#).



Image: Shutterstock

## BATTLING FOR INFORMATION ON SANRAL CONTRACT

In September 2023, OUTA filed an application in terms of PAIA to Sanral, calling for a copy of an independent third-party forensic investigation report obtained by Sanral, regarding allegations of the tender it awarded to Nereware (Pty) Ltd being irregular. Sanral refused the request based on certain sections in PAIA. OUTA filed an internal appeal in December 2023, which Sanral did not respond to so is legally deemed a refusal. OUTA will lodge a complaint with the Information Regulator about this.

## E-TOLLS: WAITING FOR GANTRY SWITCH-OFF

OUTA's PAIA application is [here](#).

On 26 October 2022, Minister of Finance Enoch Godongwana announced in his Medium-Term Budget Policy Statement in parliament that an alternative funding method would be found for the Gauteng Freeway Improvement Project (GFIP) debt, effectively ending the e-toll system managed by Sanral. This was an enormous win for OUTA and





our supporters, illustrating the power of united civil action in a campaign that took years. Opposing the e-tolls has been a core project for OUTA since the organisation was launched a decade ago.

However, by the end of February 2024 – 16 months after the minister’s announcement – there was still no legal finality on e-tolls\*. Formally ending e-tolls requires the GFIP roads to be de-proclaimed as toll roads, which had not been done by the end of February. Government’s funding plan was not finalised, despite public promises of a plan to share the funding between National Treasury (70% of the debt) and the Gauteng government (30%). There was also no clarity on why the GFIP debt is apparently so high (National Treasury said it was R43 billion in October 2022, off an original debt of R20 billion) despite years of direct funding from National Treasury. Sanral’s Integrated Report 2022/23 notes that government grants specifically for GFIP formed 15% of its revenue in 2021/22 and 18% in 2022/23; the 2022/23 grant was seven times the amount collected in e-tolls.

While government fails to provide legal finality, Sanral keeps the gantries on and continues to bill motorists, although payment levels remain low. OUTA is concerned that despite the minister’s announcement, Sanral has extended the e-tolls collection contract with Electronic Toll Collection at least twice since then, to mid-2023 and to December 2023. OUTA regards this as irregular

spending, both because it flies in the face of the minister’s undertaking of alternative funding and because the collection contract is beyond the maximum extension date of December 2021 and does not appear to have gone through a new procurement process. The costs of this contract are kept secret.

OUTA is still waiting for clarity on the cases which Sanral has brought against e-toll defaulters whom OUTA’s lawyers are defending in terms of the E-Toll Defence Umbrella. These cases cannot be finalised until the e-tolls are legally ended and Sanral withdraws the cases. OUTA is defending 2 028 cases on behalf of e-toll defaulters who received summonses from Sanral in the high court and magistrates’ courts.

On 26 February 2024, it was reported that the government now plans to collect on the e-toll debt, although most has prescribed and Sanral stopped issuing summonses for the debts in 2019. OUTA CEO Wayne Duvenage said OUTA would defend motorists who received summonses for e-tolls who gave OUTA a mandate to do so, and while OUTA has funds to do so.

For more on OUTA’s campaign against e-tolls, see [here](#). For OUTA’s February 2023 report 10 years of activism opposing e-tolls, see [here](#).

\* On 28 March 2024, the GFIP roads were deproclaimed as toll roads. On 11 April, the e-tolls were switched off.

# OUTA Projects 2023/24



Image: YouTube

## GOODBYE TO THE PUBLIC PROTECTOR



Image: GroundUp

OUTA campaigned for years for Advocate Busisiwe Mkhwebane's removal as Public Protector due to her lack of competence. In September 2023, she was finally removed from office in a victory for accountability.

In February 2018, OUTA called on Mkhwebane to resign following a Pretoria High Court judgment which set aside her report on CIEX, Absa and the Reserve Bank. In June 2019, OUTA petitioned parliament for an inquiry into Mkhwebane's conduct and competence, in the light of the various court findings against her. In August 2019, OUTA laid a criminal complaint with the South African Police Service (SAPS) against Mkhwebane. In September 2019, OUTA sent an additional submission to parliament in support of the June 2019 petition.

In March 2022, the National Assembly established the Committee for Section 194 Enquiry to look

into Mkhwebane's competence to hold the office of Public Protector. In June 2022, President Ramaphosa suspended Mkhwebane as Public Protector pending the outcome of the inquiry. In August 2023, the committee adopted its report recommending Mkhwebane's removal and tabled it in the National Assembly, which adopted the report on 11 September 2023 and sent the recommendation to President Ramaphosa. Then on 13 September 2023, President Ramaphosa removed Mkhwebane from office, weeks before her seven-year term would have ended.

OUTA welcomed Mkhwebane's removal, saying it had been a long, painful and expensive process but worth it to enforce accountability and block her from receiving a most undeserved gratuity payment.

Mkhwebane served almost her entire term despite years of complaints against her and adverse court findings against her reports. OUTA believes her record of negative court verdicts against her reports badly damaged the Office of the Public Protector and that she should have been removed sooner. OUTA calls on parliament to consider appointments to Chapter 9 institutions very carefully. If the shortlisted candidates do not include at least one excellent candidate, the search for candidates should be resumed. OUTA also calls on parliament to consider policy and possibly legislation to block miscreants from using public funds to defend themselves at unreasonable cost to the public, and to ensure retrieval of funds misspent in this way.

For more on OUTA's campaign to remove the Public Protector, see [here](#).

## SABC BILL FAILS TO FIND FUNDING SOLUTION

On 16 January 2024, OUTA made a submission to parliament's Portfolio Committee on Communications and Digital Technologies on the SABC Bill 2023, as part of the public comment process.

A strong, independent, properly funded public broadcaster is essential to democracy. This is particularly important in an election year.

OUTA believes it is of utmost importance to ensure that the SABC is governed by strong legislation and policies, to guarantee editorial independence and restore public trust in the broadcaster. The SABC's funding is one of the most critical areas of the SABC's model that has failed – and something the new SABC Bill fails to address effectively. Instead, the bill has effectively kicked the funding can down the road by not laying out any specific changes or proposals, leaving the Minister of Communications and the Minister of Finance to sort out the funding problem.

In its submission, OUTA urged the committee to consider a regular annual state grant for the SABC's public broadcasting services, instead of flogging the dead TV licence fee collection model. This would avoid the irregular and disastrous last-minute bailouts, and provide a more stable revenue stream, particularly for the public broadcasting sector.

OUTA's submission on the SABC Bill is [here](#).

On 12 September 2023, OUTA made a formal submission to the Department of Communications and Digital Technologies on the Draft White Paper on Audio and Audio-Visual Content Services Policy.

In this policy, the government considers significant changes to media and content service policies. These changes could influence citizens' access to content, taxation, and the state of media services in the country. These proposed changes have the potential to affect citizens' finances, access to information, and the quality of media services they receive.

OUTA's recommendations included emphasising the need for affordable internet access, to encourage digital participation and economic growth.

OUTA's submission on the white paper is [here](#).

For more on OUTA's work on SABC, see [here](#).



16 January 2024

**OUTA comment on the South African Broadcasting Corporation SOC Ltd Bill, 2023**

Submission by the Organisation Undoing Tax Abuse to the Committee Secretary, Portfolio Committee on Communications and Digital Technologies

Submitted by:  
**OUTA**  
Contact: 087 170 0639



## PROFESSIONALISING THE PUBLIC SERVICE

On 6 July 2023, OUTA made a submission to the Office of the Public Service Commission on the draft Public Service Commission Bill. The bill aims to professionalise the public service and improve transparency, which OUTA welcomed as a step in the right direction. OUTA welcomed the bill's expansion of the commission's mandate to include municipalities and public entities but raised concern that the wording of the bill indicated that this may be optional whereas OUTA believes it should be mandatory. OUTA also

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emphasised the importance of transparency and for the commission's reports to be available to the public.

In October 2023, the revised bill was introduced to parliament. The new version addressed some but not all of the concerns OUTA highlighted in the submission on the draft bill. On 16 February 2024, OUTA made a submission to parliament's Portfolio Committee on Public Service and Administration as part of that public participation process, emphasising the importance of professional ethics. This bill is still before parliament.

OUTA's first submission is [here](#) and more information is [here](#). OUTA's second submission is [here](#).

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## ELECTORAL REFORM NOT FAR ENOUGH

From February 2021 to January 2023, OUTA made four submissions to parliament criticising the Electoral Amendment Bill, as part of a broad civil society campaign calling for meaningful electoral reform. OUTA wants to see a constituency based system that makes politicians more accountable to voters.

In each submission, OUTA identified problems in the bill and the process. OUTA's inputs were ignored and, at the end of February 2023, parliament passed the bill and sent it to President Ramaphosa for signature. In April 2023, the president signed it, and the Electoral Amendment Act was gazetted, coming into effect on 19 June 2023. OUTA again



Image: Flickr/GovZA

pointed out that there were concerns with the constitutionality of the act.

OUTA believes that while the act allows for independent candidates, it remained biased against them by setting higher quotas for signatures to get onto the ballot – subsequently reduced by a Concourt ruling in December 2023 – and by failing to resolve the problem of wasted votes for independents. This does not provide the broad electoral reform OUTA had wanted.

Some of these concerns are expected to be taken up by the Electoral Reform Consultation Panel. OUTA strongly emphasises that the panel must consist of unbiased individuals who have expertise in this field, and that civil society organisations should be on the panel. OUTA submitted nominations for the panel. The panel should have been established within four months of the act taking effect in June 2023, but missed the deadline.

In November 2023, OUTA wrote to Minister of Home Affairs Dr Aaron Motsoaledi, raising concern that he had missed the deadline in the Electoral Amendment Act for establishing the panel (see more [here](#)).

In December 2023, parliament's Portfolio Committee on Home Affairs decided that the panel appointment process must be reopened to encourage a greater pool of candidates with expertise. By the end of February 2024, the panel had still not been established and there was no indication of when it would be. Parliament requested a number of extensions to the original Concourt deadline of 21 June 2022 to amend the Electoral Act, and this seems to have set the tone for deadlines to be missed, as is now the case with the panel's establishment.

In June 2023, OUTA raised concern that parliament had passed the Appropriation Act 2023 (part of Budget 2023) without addressing the cuts to the Electoral Commission (IEC) budget, a problem with an election coming up. OUTA pointed out that the IEC has to put up with budget cuts of about R770 million over three years while political parties received an extra handout of R300 million in March 2023 through the Represented Political Parties' Fund (RPPF). Both the IEC and the RPPF are run through the Department of Home Affairs. OUTA said it would have been better to fund the IEC properly.

In December 2022, as part of a commitment to active citizenry and electoral reform, OUTA launched the #BeTheBoss campaign (see [here](#)), encouraging citizens to take back control and participate in democracy by registering as voters and voting in elections. As the election draws closer, OUTA encourages the public to register and vote.

More information on OUTA's work on electoral reform is [here](#).

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## POLITICAL PARTY FUNDING LAW NEEDS STRENGTHENING

On 5 May 2023, OUTA, My Vote Counts and other organisations made a submission to the Legislative Reform Reference Group of the National Anti-Corruption Advisory Council, calling for stronger law on political party funding.

The Political Party Funding Act (PPFA) was enacted to address undue private influence in politics, but there are concerns about its efficacy in preventing such influence. The submission included recommendations that the PPFA be amended to criminalise donations made to political parties with the expectation of being granted tenders or contracts as a reward, and reassessing the threshold required to disclose funding received from donors and the annual cap on donations.

The submission is [here](#), more on this is [here](#) and more on OUTA's work on political party funding in 2021 is [here](#).

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## BUDGET 2023: WATCHING PARTY FUNDING



Image: Shutterstock

On 18 May 2023, OUTA submitted comment on Budget 2023 to parliament's Standing and Select Committees on Appropriations, criticising the huge increase in allocations to the Represented Political Parties' Fund (RPPF), which received a last-minute extra allocation for 2022/23.

The RPPF is managed by the Electoral Commission and runs through the Home Affairs vote. The allocations to this fund have increased significantly: R149 million (2018/19), R158 million (2019/20), R163 million (2020/21), R167 million (2021/22), then a huge increase to R342 million in 2022/23. The Second Adjustments Appropriation (2022/23 Financial Year) Bill, later passed by parliament, gave the RPPF another R300 million for 2022/23, taking that year's allocation to R642 million.

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In the submission, OUTA raised concern that the fiscus is being used to bail out the financially struggling ANC. The submission is [here](#), the presentation to the committees on 23 May is [here](#) and more on this is [here](#). Parliament subsequently approved this spending.

## PARLIAMENT: THE FAIRYTALE THAT BECAME A NIGHTMARE

In September 2023, OUTA published its fifth annual Parliamentary Oversight Report, which again found that parliament is a failed institution.

OUTA's comprehensive report, *Parliament: The fairytale that became a nightmare: OUTA 2023 Report on Parliamentary Oversight*, was compiled by OUTA's Parliamentary Engagement Office and covers the period July 2022 to June 2023.

Each of OUTA's previous reports was strongly critical of the failure by Members of Parliament (MPs) to hold the executive – the ministers in cabinet and the president – to account. Despite government's claimed opposition to the erosion of state institutions due to state capture, this report finds no significant improvement in accountability by parliament.

Parliament and the MPs have been central to allowing state capture to go unchecked. Although parliament accepted the recommendations of the Commission of Inquiry into State Capture on action for parliament to take, parliamentarians have failed to act on these recommendations within the timeframe they gave themselves. Parliament



as an institution is so weak that it appears to be a rubber stamp for executive malfeasance instead of a mechanism to act for the people of South Africa who voted for them.

OUTA is concerned that parliament has failed to grasp the need to defend South Africa's democracy. This year, OUTA voiced its concern even more strongly, as parliament's failure to hold the executive to account has become an entrenched position which threatens democracy. The sixth parliament (2019 to 2024) has been characterised by the focus on state capture, the removal of President Jacob Zuma and his replacement by President Cyril Ramaphosa. The State Capture Commission was finally established in January 2018 under the then Deputy Chief Justice Raymond Zondo (now Chief Justice). The commission started public hearings in August 2018 and handed over the volumes of its final report to President Ramaphosa from January 2022 to June 2022. The commission's final report contained a section on how parliament had aided and abetted state capture and what it should do to avoid this happening again. OUTA believes that parliament's efforts in this regard have been inadequate, and is concerned that parliament will not implement the

commission's recommendations ahead of the 2024 elections.

South Africa expects more of our parliamentarians, who promise in their oath of office to “obey, respect and uphold the Constitution and all other law of the Republic”, and whose job is set down in the Constitution as including “scrutinising and overseeing executive action”. If our democracy is to survive, we need ethical, hardworking parliamentarians who stand up against corruption and work in the public interest.

OUTA's report on parliamentary oversight, *Parliament: The fairytale that became a nightmare*, is [here](#) and a brief overview is [here](#).

More information on OUTA's parliamentary oversight reports is [here](#).

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## HELPING PARLIAMENT: TOOLS FOR OVERSIGHT

During 2023, OUTA teamed up with the Public Affairs Research Institute (PARI) and the Konrad Adenauer Stiftung (KAS) to produce a report on parliamentary oversight, *State of Parliament and its MPs: Identifying challenges to oversight and proposing solutions*.

This report was commissioned by OUTA, it was researched, written and produced by PARI, and made possible through funding by KAS. It was published on 19 October 2023 and is available online [here](#). OUTA is grateful to PARI and KAS for their involvement in this project. See more on PARI [here](#) and on KAS [here](#).

The report explains how the Constitution requires parliament to “scrutinise and oversee” the executive (the president and the ministers), explores the oversight function in parliament, explains the concepts of explanatory accountability and amendatory accountability, considers how well oversight is working and what can be done to improve it. The report is aimed particularly at new parliamentarians who will take up their positions after the 2024 elections. It is also aimed at the

public, to encourage a greater understanding of how parliament should work and public support for this. It provides straightforward assessments of basic requirements for oversight, for example, explaining what an effective MP should be doing and what an effective parliamentary oversight committee meeting should do.

At the same time, OUTA produced an updated guide to oversight for MPs based on the above report, *Tips for Members of Parliament to aid in more effective and improved oversight duties*. OUTA has e-mailed this guide to all MPs. The guide is [here](#).

More information on these tools for oversight is [here](#).

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## OUTA-EU PARTNERSHIP ON ENHANCING ACCOUNTABILITY



Image: X/@EUinSA

Grantees discuss the EU'S Enhancing  
Accountability Programme

In October 2023, OUTA was selected as a recipient of the second tranche of the European Union-funded Enhancing Accountability Programme.

This exciting opportunity allows OUTA to work alongside esteemed partners to promote transparency, fight corruption, and bolster accountability within South Africa's parliamentary processes.

Through this programme, OUTA is partnering with the Parliamentary Monitoring Group (PMG)

# OUTA Projects 2023/24

and OpenUp to develop a Parliamentary Oversight Dashboard. The dashboard project aims to create a user-friendly, open-source platform for monitoring and assessing parliamentary performance. The dashboard will offer real-time information on user engagement, data accessibility and transparency within the parliamentary system. It will facilitate public and stakeholder engagement and will be used to evaluate the effectiveness of parliamentary actions, with a focus on inclusivity for marginalised groups. The project aligns with OUTA's commitment to enhancing transparency, accountability and citizen participation in parliamentary processes.

This joint project receives €669 000 from the EU, which makes up 80% of the cost of the project.

The Parliamentary Oversight Dashboard is linked to OUTA's annual Parliamentary Oversight Report, and is getting under way.

The dashboard tracks the quantitative data considered in the Parliamentary Oversight Report. Over the next year the team expects to add more data to the dashboard, to strengthen the analysis.

More on this collaboration is [here](#) and the dashboard is [here](#).



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## SONA SO WHAT

In early February 2024, OUTA decided to ignore the upcoming annual State of the Nation Address (SONA) by President Ramaphosa, which marks the opening of parliament. Instead, OUTA said "SONA So What", and suggested that citizens also disengage as part of demanding a more meaningful discourse.

"OUTA's decision to 'check out' of SONA wasn't taken lightly, as we don't want to send the wrong message when it comes to citizen participation in democracy," said Wayne Duvenage, OUTA's CEO. "Sometimes it is necessary to visibly disengage with government in a manner of protest, in instances where the message being communicated is not authentic and appeals to clear political agendas. SONA has become one such event of political posturing and empty rhetoric, when in fact the public need to hear the real issues of the State of our Nation."

See more [here](#) and [here](#).

## INVESTIGATING THE SERVICES SETA

Since September 2022, OUTA has produced three reports on the Services Sector Education and Training Authority (Services SETA) based on investigations which started in 2018 following information provided by whistleblowers.

The first report, in September 2022, focused on the Services SETA's contract with Grayson Reed worth





R163 million. In November 2022, OUTA used this report as the basis of a criminal complaint against the Services SETA opened at SAPS Parkview. No positive feedback has been received yet.

During 2023/24, two reports were published.

In March 2023, OUTA published the second report. This was on the Service SETA's contract with Star Sign and Print (Pty) Ltd, which supplied branded items at inflated prices for a total of R28.963 million. This report is [here](#).

In June 2023, OUTA laid a criminal complaint with the SAPS against Andile Nongogo, former CEO of the Services SETA who was by then the National Student Financial Aid Scheme (NSFAS) CEO, and three others, in connection with a tender awarded by the Services SETA in August 2016. In the complaint to the SAPS, OUTA asked for a police investigation into the conduct of Nongogo, Duduzile Mwelase, a senior manager at the Services SETA at the time, and Anania Baloyi and Ngwenya Baloyi, both from Five Stars Communications and Projects CC, which was awarded the tender and was paid R37.482 million. Nongogo signed off on this award and payments. OUTA wants all four individuals to be investigated for alleged fraud and corruption, with Nongogo and Mwelase also to be investigated for contravening the Public Finance Management Act.

The Five Stars contract included branded T-shirts at R4 679 each, R44 057 for a branded umbrella, R980 for a coaster, and R668 200 to print 100 copies of the Services SETA Annual Performance Plan. It also included a branded tender box at a cost of R302 000, which OUTA estimated was over-inflated by 8 000% or at least R292 000. Mwelase took delivery of the tender box and Five Stars' invoice was approved by Nongogo. OUTA's report also exposed irregularities in the tender process.

On 4 August 2023, OUTA released the investigation report on the Five Stars Tender. This investigation report is [here](#).

OUTA wants companies that charged these exorbitant prices and public officials who approved such inflated payments to be held to account for the abuse of public funds. OUTA also wants such suppliers to be listed on National Treasury's restricted suppliers' database to block them from doing further business with all organs of state.

OUTA also lodged a formal complaint against Nongogo with the South African Institute of Chartered Accountants (Saica).

Nongogo was also named in OUTA investigation reports into NSFAS during 2023/24 (see the section on NSFAS below). He has denied wrongdoing.

More information on this project is [here](#).

# OUTA Projects 2023/24

## INVESTIGATING HOW NSFAS SPENDS STUDENT FUNDS

OUTA's investigation into the National Student Financial Aid Scheme (NSFAS) was sparked off in 2022 by our investigation into irregularities at the Services SETA (see the section on the Services SETA above), when we found that Services SETA service providers were linked to other tenders among the SETAs and NSFAS. The SETAs and NSFAS fall under the Department of Higher Education and Training.

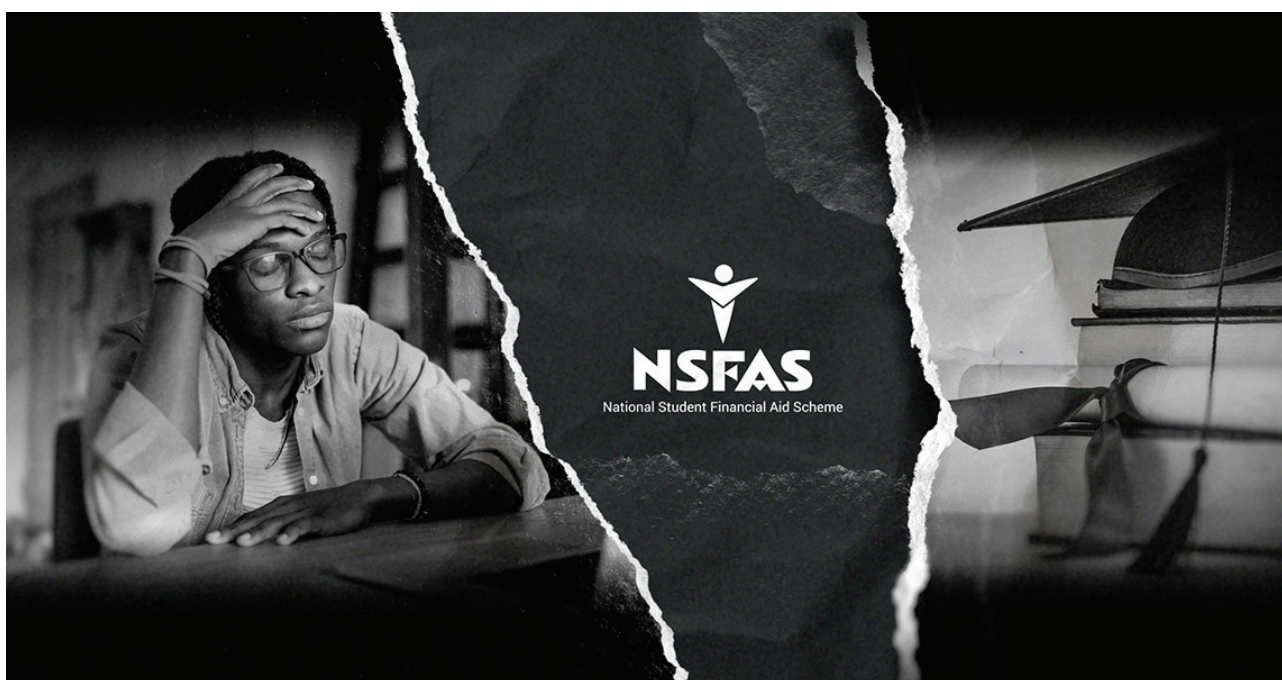
By the end of 2023, the NSFAS CEO Andile Nongogo had been fired and, by early 2024, the chairperson Ernest Khosa was on leave pending the outcome of an inquiry.

In October 2022, OUTA filed requests in terms of

PAIA to NSFAS for the tender documents for the contract for payment of student allowances, but in December, NSFAS refused this request and the subsequent internal appeal. OUTA handed the relevant information over to the SIU, which was investigating NSFAS and in a position to pursue this.

In October 2022, OUTA released a preliminary report on NSFAS, on the payment of student allowances by contractors Coinvest Africa (Pty) Ltd, Tenet Technology (Pty) Ltd, Ezaga Holdings (Pty) Ltd and Norraco Corporation (Pty) Ltd, a student allowance calculation tool tender (the contractor didn't finish the job), and a lease for the NSFAS head office (a five-year lease at R167 million, the equivalent of R74 000 per employee per year). This report is [here](#).

On 8 August 2023, days after releasing a Services SETA report implicating Nongogo, OUTA released an update of our October 2022 preliminary report on NSFAS with new information. This report revealed how tender requirements for paying student allowances changed to relax requirements from bidders being required to have banking licences to merely requiring them to have an affiliation with a bank, although OUTA could not find any evidence of such links with any banks. The report is [here](#). By the end of the year, thousands of students were still struggling to get their NSFAS allowances paid.





Ernest Khosa  
Image: Facebook/NSFAS

On 16 August, NSFAS CEO Nongogo took special leave while the NSFAS board appointed lawyers to investigate OUTA's reports on NSFAS which implicated him in wrongdoing.

In October, OUTA pointed out that parliament's Portfolio Committee on Higher Education, Science and Innovation was misled at its meeting of 4 October 2023, which focused on NSFAS. The committee heard presentations about the system of direct payments to students. OUTA identified red flags, inaccuracies, half-truths and blatant dishonesty in presentations. Read more [here](#).

On 24 October, the NSFAS board fired Nongogo, in line with a recommendation by the legal team hired by the board to investigate the allegations in OUTA's reports on NSFAS. OUTA welcomed his dismissal. The legal team's report also recommended that the contracts with the four fintech companies involved in student payments be terminated immediately and disciplinary action started against all those involved with pushing through the direct payment system.

On 5 December 2023, OUTA released another report on NSFAS, this one looking at the student accommodation tenders. OUTA warned of a looming accommodation timebomb as NSFAS struggled to implement its new scheme of requiring accommodation providers to have their accommodation certified by NSFAS service providers. NSFAS had said it needed 397 000 beds for NSFAS-funded students in 2024, but on 4 October 2023 the scheme reported to parliament's Portfolio Committee on Higher Education that there were only 25 803 (or 6.5%) of the required beds accredited. OUTA warned that thousands of

students would start the 2024 academic year without accommodation. This report is [here](#). In January 2024, the warned-of accommodation crisis exploded, with students at first technical and vocational training (TVET) colleges then at universities left homeless as NSFAS failed to process payments.

On 4 January 2024, OUTA released another report on NSFAS, this one recordings of two meetings between NSFAS chairperson Ernest Khosa and two others, one a representative of a



Blade Nzimande  
Image: Flickr/GovernmentZA

NSFAS service provider. The meetings revealed how service providers allegedly paid millions of rand in kickbacks to Minister of Higher Education Blade Nzimande and Khosa, as well as at least R1 million to the South African Communist Party (SACP). Nzimande was the SACP general secretary for many years. This was allegedly done in return for tenders and protection for service providers. OUTA released recordings of the meetings – provided by a whistleblower – and included transcripts of relevant sections in the report. OUTA called for the resignations of both Nzimande and Khosa. For more information and OUTA's full report, see [here](#). On 11 January 2024, the NSFAS board announced that Khosa was taking leave to allow for a NSFAS investigation. On 2 February 2024, Khosa's lawyers wrote to OUTA demanding the report be retracted; OUTA stands by the report so has declined to do this.

Nongogo, Khosa and Nzimande have denied wrongdoing.

# OUTA Projects 2023/24

## INVESTIGATING GERT SIBANDE TVET COLLEGE

More information on OUTA's work on NSFAS is [here](#).

On 12 December 2023, OUTA released a report exposing a suspicious tender worth R83 million at the Gert Sibande TVET College in Mpumalanga. OUTA also shared this report with the Special Investigating Unit (SIU) in the hope that it would investigate this tender so implicated parties would be held to account. The SIU has advised that it will peruse the OUTA's report to determine whether it should request an expansion of the scope of its investigation into the college which was proclaimed in December 2023; OUTA is waiting to hear from the SIU on this.

The investigation arose when whistleblowers approached OUTA in 2022 with information on allegations of irregularities in the college's award of a contract worth R83 million to Student Hub Online (Pty) Ltd to provide an e-learning platform. OUTA submitted an application to the college in terms of PAIA, asking for the documents relating to this tender. Some of the information requested was provided and OUTA used this in its investigation.



OUTA found irregularities, including: the preparation of the bid documents did not follow the college's supply chain management (SCM) policy; the bid specification document was dated as signed and approved before it was prepared; the tender was not advertised for the minimum 21 days as required by the SCM policy and National Treasury regulations; 20 bidders made submissions with an average price of R22.5 million, but the college chose the R83 million bid; the college already had an online platform offering the same service; Student Hub was paid more than the R83 million price award.

## INTELLIGENCE LAWS MUST ALIGN WITH CONSTITUTION



Civil society joint statement on the 2023 General Intelligence  
Laws Amendment Bill

More on this project is [here](#).

On 15 February 2024, OUTA made a submission to parliament's Ad Hoc Committee on the General Intelligence Laws Amendment Bill (GILAB) on the bill, calling for it to be redrafted to align with the Constitution and defend the rights of citizens. The submission was part of the public participation process.

OUTA raised various concerns about the bill, including the expansion of state intelligence agencies' vetting powers, the expansion of mass surveillance capabilities, the bill's failure to deliver on oversight and accountability, and the expansion of definitions of national security.

More information is [here](#). The submission is [here](#).

In December 2023, OUTA was one of 48 civil society organisations issuing a joint statement raising concerns over GILAB, including that it would give intelligence agencies broad powers of surveillance but do little to safeguard secret funds from looting.

## EMPOWERING THE JOBURG OMBUD



See [here](#).

On 16 October 2023, OUTA made a submission to the City of Johannesburg Ombudsman's Office, on the proposed rewrite of the City of Johannesburg Ombudsman By-Law.

OUTA called on the City to ensure that the Ombud's Office has sufficient power to enforce decisions.

The Ombud's Office was established through a by-law in 2014. The draft by-law under consideration will replace that by-law. OUTA said the Ombud's Office needs to have the power to ensure more significant consequences in cases of non-compliance, and the City should not have a choice in whether or not to implement the Ombud's decisions. This is missing in the current by-law. OUTA also called for increases in maximum penalties, listed as a R20 000 fine and/or six months' imprisonment.

OUTA is concerned that the Office of the Ombudsman has existed since 2015 and has been funded on the City of Johannesburg budget since then but does not publicly seem to have achieved much. The budget for 2023/24 is about R46 million.

Although the Ombud's Office has existed for eight years, it does not appear to have issued any reports, only six statements. The City's annual report for 2021/22 records that the Ombud registered 897 complaints that year, resolved 633 (but does not mention whether these were resolved in favour of residents or the City), and ran outreach programmes reaching 2 846 residents. Previous annual reports do not report on the office.

The submission is [here](#). More information is [here](#).

## DEFENDING WHISTLEBLOWERS

OUTA acknowledges the essential role that whistleblowers play in defending democracy and clean governance. OUTA is grateful to those who have provided us with information: over the year, OUTA received 140 reports from whistleblowers through our secure and anonymous Whispli platform. OUTA follows up on as many of these reports as possible, but must prioritise those that fall within our mandate, expertise and capacity. We believe that much more support and protection is needed for whistleblowers, and we call for the implementation of the State Capture Commission's recommendations on this.

OUTA has followed the criminal case against six men who were on 22 August 2023 convicted of murder for their role in killing whistleblower Babita Deokaran and sentenced to terms of six to 22 years. Deokaran was shot dead outside her home two years earlier, on 23 August 2021. She was employed at the Gauteng Department of Health and was investigating corruption at the Tembisa Hospital when she was killed. The six assisted in her killing, but three others are still being sought, included the two believed to have shot her.



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irregularities worth R8.2 billion at the City. She was subsequently fired and the City closed down the department investigating the corruption she reported. On 12 December 2023, the South African Local Government Bargaining Council cleared her of the charges that led to her dismissal and awarded her 10 months' salary in compensation from the City. OUTA is proud to be associated with Lakraj and we would like to see the SIU pursuing the allegations Lakraj reported. See more [here](#) and [here](#).



PPLAAF whistleblower conference: Andy Chinah (human rights activist), Puseletso Morapedi (PPLAAF member), Gemma-Mae Hartley (PPLAAF member), Cynthia Stimpel (Whistleblower House member), Adila Chowan (ACM member) and Ali Gule (OUTA member & activist).

OUTA calls on the SAPS and National Prosecuting Authority (NPA) to ensure that all those involved in both her murder and the corruption she uncovered at Tembisa Hospital – particularly the masterminds – are brought to justice. OUTA's protest team was outside the court a number of times, calling for protection for whistleblowers. Read more [here](#).

In mid-November 2023, OUTA participated in the Whistleblower Protection Week conference organised by the Platform to Protect Whistleblowers (PPLAAF), the Friedrich Naumann Foundation for Freedom and the Gordon Institute of Business Science.

On 25 November 2023, City of Johannesburg whistleblower Sarika Lakraj was awarded the Congress of Business and the Ahmed Kathrada Foundation Excellence in Leadership Award at a gala evening in Johannesburg. Lakraj, now working temporarily as OUTA Financial Manager, reported

**“OUTA would like to see a corporate charter, including mechanisms to prevent corruption in the private sector, as well as processes to hold board members and managers personally responsible for any wrongdoing from within their company.”**

*Wayne Duvenage*

## STATE CAPTURE CLEAN UP: SAICA DITCHES FORMER SAA EXEC

In March 2023, the South African Institute of Chartered Accountants (Saica) struck Yakhe Kwinana off the roll of chartered accountants (making her ineligible to practice as a CA) and fined her R6.1 million after a disciplinary hearing found her guilty of 13 charges relating to her activities at South African Airways (SAA) and her testimony to the State Capture Commission. Kwinana must also pay Saica's costs of the hearing.

This follows complaints which OUTA filed with Saica as early as 2017, calling for action against Kwinana.

Kwinana was a member of the board of SAA Technical from 2009 to 2016 and headed the board's audit and risk committee. This was during the time that Dudu Myeni chaired the SAA board.

In May 2017, OUTA laid a complaint against Kwinana with Saica, asking for her deregistration as a CA. This complaint related to Kwinana's conduct at SAA, including unlawful interference in SAA procurement in the BNP Capital deal and the Airbus deal.

Saica passed on this complaint to the Independent Regulatory Board for Auditors (IRBA) as she was an auditor. IRBA dismissed the complaint in 2018 and, in March 2021, told OUTA it would not reopen it as Kwinana ended her IRBA registration in September 2019. In March 2021, OUTA asked Saica to reopen the investigation against Kwinana, and consider her testimony before the State Capture Commission.

Saica's letter to OUTA on the outcome of the hearing is [here](#). OUTA is relieved to see this matter finalised, six years after the first complaint was lodged. The State Capture Commission recommended Kwinana's prosecution. OUTA hopes to see this pursued.

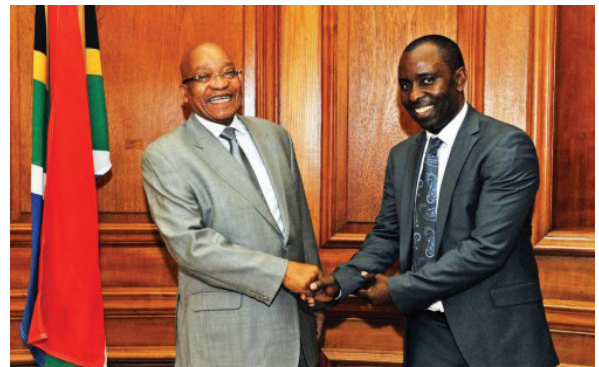
In July 2019, during the delinquent director case against former SAA chair Dudu Myeni brought by OUTA and the SAA Pilots' Association, OUTA sent the evidence to the NPA as a section 27 referral against Myeni and her board. Kwinana was one of the board members named in this referral, along with Phumeza Nhantsi, Dr John Tambi and Musa Zwane. In this referral, OUTA said that Myeni, in particular, had contravened the Public Finance Management Act, and the others had also by either failing to hold her to account or by actively aiding her misconduct. In May 2020, the Pretoria High Court declared Myeni a delinquent director for life, and ordered the judgment to be sent to the NPA. In November 2023, an SIU report to parliament's Standing Committee on Public Accounts revealed some of the plundering of SAA during that period, illustrating the damage caused by state capture (see [here](#)).



*Dudu Myeni court case*

More information on OUTA's action, which resulted in Myeni being declared a delinquent director, is [here](#).

## STATE CAPTURE CLEAN UP: PARLIAMENT'S HALF-HEARTED ACTION AGAINST ZWANE



*Jacob Zuma and Mosebenzi Zwane  
Image: Flickr/GovZA*

On 8 March 2023, parliament's Joint Committee on Ethics and Members' Interests finally submitted a report to parliament recommending the censure of ANC MP Mosebenzi Zwane. This arose from an OUTA complaint made on 25 October 2017 – more than five years earlier – over Zwane's conduct in taking benefits from the Guptas while he was Minister of Mineral Resources and Energy and during the Gupta family's acquisition of Optimum Coal Mine. The committee recommended that Zwane be fined five days' salary, that he apologise to parliament, and that he be suspended from his seat for one parliamentary term. The fine, worth less than R20 000, is a slap on the wrist considering the benefits he received from the Guptas were worth far more (this included a flight on the Gupta private jet from Switzerland to Dubai), and shows that parliament does not regard a lack of integrity as a problem for MPs.

OUTA was dismayed by the limited censure and that Zwane would keep his seat as an MP. Zwane not only brought parliament into disrepute, but also the country, and he should not have been appointed as an MP for the Sixth Parliament. Not only was he an MP, but he chaired parliament's Portfolio Committee on Transport until late 2022.

Zwane failed to appear in parliament to apologise as instructed. The joint committee decided to fine him half of his March 2024 salary and ordered him to apologise in parliament by 28 March 2024.

The committee's media statement is [here](#), the

# OUTA Projects 2023/24

committee's full report is [here](#). The committee's second report (on Zwane's failure to appear) is [here](#). OUTA's criticism of the limited censure is [here](#).

## STATE CAPTURE CLEAN UP: THE NETWORKS AND THE ESKOM CONTRACTS

In March 2023, OUTA examined the politically connected network linked to the Kusile corruption case. Former Eskom executive Matshela Koko allegedly tried to use his politically connected businessman friend, Thabo Owen Mokwena, to launder a bribe payment. OUTA found that Mokwena's network was a powerful group that reached the energy sector, the ANC and state security networks. OUTA pieced together the information from the NPA's draft charge sheet and from documents from other sources.

Mokwena's connections are powerful: he is the deputy chair of the presidential task team overseeing the reorganisation of the State Security Agency and is connected to the ANC's Chancellor House Holdings. His partners in his Kusile contract included prominent players in the energy sector.

This case illustrates how crucial successful prosecutions are in unravelling and disabling state capture networks. In November 2023, the Middelburg Specialised Commercial Crimes Court struck this case from the roll, citing excessive delays in the case. OUTA hopes this case will be re-enrolled and the prosecution will continue.

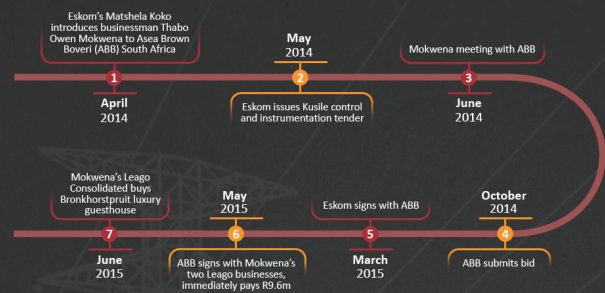
Read more [here](#).



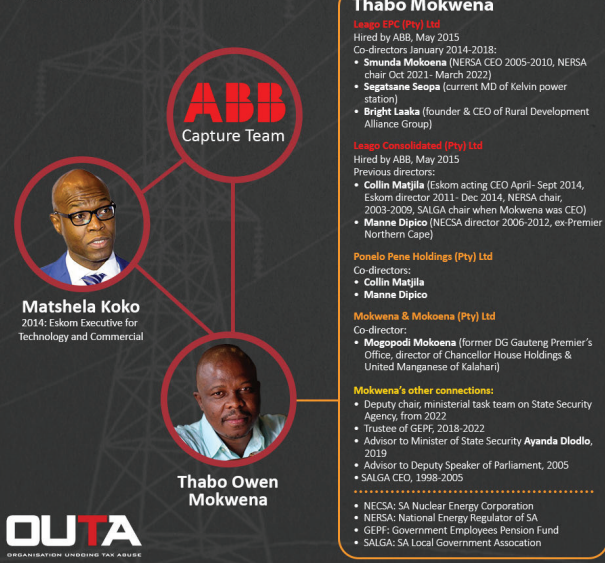
Thabo Mokwena and Matshela Koko  
Image: YouTube/Flickr/Eskom

### Well connected: Thabo Mokwena's connections

#### Timeline of events



#### The connections







“At its core, whistleblowing is an act of defiance against the status quo, a resolute stance against the veils that shroud the truth. It is an embodiment of the conviction that the pursuit of justice and transparency is paramount, even when faced with the daunting presence of power structures.”

“Yet, the path of the whistleblower is not without its perils. It is a journey fraught with personal sacrifice, professional repercussions, and societal scepticism. The whistleblower stands as a sentinel at the crossroads of accountability and impunity, knowing that the road ahead is paved with challenges and potential adversities.”

*Sarika Lakraj, City of Johannesburg whistleblower who was fired for speaking out, after receiving the Congress of Business and the Ahmed Kathrada Excellence in Leadership Award on 25 November 2023*

# OUTA in Action: Podcasts and webinars

**OUTA INsights  
PODCAST**  
Hosted by: Ilse Salzwedel

**OUTA's Rachel Fischer,  
Nicki Van't Riet (Corruption Watch)  
& Robyn Pasensie (My Vote Counts)**

Political parties are currently not obliged to disclose all private donations they receive. Here's why My Vote Counts launched an application in the Western Cape High Court to challenge gaps in the current Political Party Funding Act.

**OUTA INsights  
PODCAST**

**Adv Stefanie Fick and  
Brendan Slade**

Update on OUTA's State of Disaster and Karpowership court challenges

**OUTA INsights  
PODCAST**

**Dianne Hawker and  
Julius Kleynhans**

The Aurora gold mine: how corruption killed a community

**OUTA INsights  
PODCAST**  
Hosted by: Ilse Salzwedel

**Nicole Figueiredo de Oliveira  
(Environmental activist from Brazil)**

Karpowership is not the silver bullet government wants SA to believe. This shocking interview exposes what KPS is doing in Brazil, one of the many countries where the ships operate. With adv Stefanie Fick and Brendan Slade.

**OUTA INsights  
PODCAST**  
Hosted by: Ilse Salzwedel

**Prof Alex van den Heever  
(Social Security chair, Wits)**

How Gauteng government fails the poor and the sick. Will NHI fix this?

**OUTA INsights  
PODCAST**  
Hosted by: Ilse Salzwedel

**Sarah Ferguson (activist/swimmer)  
Yamkela Ntola (environmental law expert)**

On World Oceans Day, we reflect on plastic pollution on land and in rivers and oceans. How bad is it, who is to blame and how can we change this? Is government and industry doing enough?



## **OUTA Insights podcasts**

Producer and presenter:  
Ilse Salzwedel

**3 March 2023:** *OUTA Insights* podcast with OUTA's Advocate Stefanie Fick and legal project manager Brendan Slade on OUTA's legal challenge to the national state of disaster, the capture of Eskom and solutions for the energy crisis, and whether the disaster regulations could be used to sneak in a Karpowership deal. Listen [here](#).

**13 March 2023:** *OUTA Insights* podcast with OUTA's Tim Tyrrell explaining OUTA's Community Action Network (CAN), the digital platform to assist communities organise themselves to address local government issues. Listen [here](#).

**24 March 2023:** *OUTA Insights* podcast with OUTA CEO Wayne Duvenage on the assassination of Bosasa and Gupta company liquidators Cloete Murray and his son Thomas, and the implications for the war on corruption. Listen [here](#).

**11 April 2023:** *OUTA Insights* podcast with OUTA executive Julius Kleynhans and journalist Dianne Hawker, author of *How to steal a gold mine: The Aurora story*, discussing the Aurora mine, the politically connected owners and how corruption killed a community: the stripping of mine assets, the abandonment of workers and the environmental destruction. They also discuss OUTA's efforts to push for prosecution on this and why so little has been done to bring

the perpetrators to justice. Listen [here](#).

**14 April 2023:** *OUTA Insights* podcast on the arrest in Tanzania of the "dead" Facebook rapist, Thabo Bester, and his celebrity doctor girlfriend Dr Nandipha Magudumana, leaving the Departments of Justice and Correctional Services, the SAPS and prison contractor G4S with a lot of explaining to do. OUTA interviews investigative journalist Ruth Hopkins, author of *The Misery Merchants: Life and Death in a Private South African Prison*, which exposed G4S corruption at the Mangaung prison. Listen [here](#).

**20 April 2023:** *OUTA Insights* podcast interviews investigative journalist Jeff Wicks, from News24, unpacking the massive Gauteng Health Department corruption that cost whistleblower Babita Deokaran her life in August 2021. Listen [here](#).

**16 May 2023:** *OUTA Insights* podcast interviews Prof Alex van den Heever of Wits University about the critical state of the Gauteng health system despite its R60 billion budget. Listen [here](#).

**18 May 2023:** *OUTA Insights* podcast interviews OUTA senior legal project manager Andrea van Heerden on OUTA's recommendations to government on road safety, an update on the Administrative Adjudication of Road Traffic Offences Act and Amendment Act (the Aarto law) and the driving licence problem. Listen [here](#).

**23 May 2023:** *OUTA Insights* podcast interviews Brazilian environmental activist

# OUTA in Action: Podcasts and webinars

Nicole Figueiredo de Oliveira from the NGO Arayara about their battle against the Turkish power company Karpowership, which has been identified as a preferred bidder for a 20-year “emergency” power contract in South Africa at a possible cost of at least R220 billion. Also in the discussion are OUTA’s Advocate Stefanie Fick and Brendan Slade. Listen [here](#).

**26 May 2023:** *OUTA Insights* podcast with OUTA Executive Julius Kleynhans and WaterCAN executive manager Dr Ferrial Adam, on the Hammanskraal water failures. While 22 people in Hammanskraal have died from cholera and politicians are blaming each other, OUTA and WaterCAN warn that this could be just the first of many such outbreaks, since the government is unable or unwilling to sort out water infrastructure problems. OUTA discusses how citizens can help protect water security. Listen [here](#).

**1 June 2023:** *OUTA Insights* podcast about political party funding and secrecy, with OUTA parliamentary engagement and research manager Rachel Fischer, Nicki Van’t Riet from Corruption Watch and Robyn Pasensie from My Vote Counts. Discussions include why My Vote Counts is challenging the Political Party Funding Act in court and why you should know who donates to political parties. Listen [here](#).

**8 June 2023:** *OUTA Insights* podcast celebrates World Oceans Day and World Environment Day, which focus on the battle against plastic pollution. In this podcast long-distance swimmer and environmental activist Sarah Ferguson speaks

about her passion for highlighting and curbing plastic pollution, and environmental law expert Yamkela Ntola reflects on the legal aspects of plastic pollution and how to combat it. Listen [here](#).

**14 June 2023:** *OUTA Insights* podcast discusses the new government and big business initiative to tackle the economic crisis, corruption and other big challenges with OUTA CEO Wayne Duvenage. Listen [here](#).

## OUTA webinars and videos

**7 March 2023:** OUTA’s CAN hosts a webinar on Cape Town property valuations, and how property owners can avoid an exorbitant increase in rates, with OUTA’s Julius Kleynhans and Tim Tyrrell, Better Bedfordview’s Marina Constas, Milnerton Central Residents’ Association’s Bouwe van der Eems and Lightstone’s Hayley Ivins Downs. Watch [here](#).

**14 March 2023:** CAN hosts a webinar on property valuations and rates for Sol Plaatje Local Municipality property owners, with OUTA’s Julius Kleynhans and Tim Tyrrell, and Sol Plaatje Ratepayers’ Union chairperson Tumelo Mosikare. Watch [here](#).

**16 March 2023:** CAN hosts a webinar on property valuations and rates for property owners in Mbombela Local Municipality, with OUTA’s Julius Kleynhans and Tim Tyrrell, Mbombela

**Demystifying Parliament:**  
Understanding its challenges and embracing opportunities for improved oversight

**WEBINAR**  
Tuesday 17 October  
12:00 - 13:00  
Via Zoom

HOST	SPEAKER	SPEAKER	SPEAKER
 <b>Rachel Fischer</b> Parliamentary Engagement & Research Manager OUTA	 <b>Gregor Jaecke</b> Resident Representative in South Africa KAS	 <b>Devi Pillay</b> State Reform Programme Researcher PARI	 <b>Moira Levy</b> Production Editor IFAA

KONRAD ADENAUER STIFTUNG  
**OUTA**

activist TJ Mare and the White River Residents' Association's Pierre du Preez. Watch [here](#).

**16 March 2023:** CAN hosts a webinar on property valuations and rates for property owners in Umdoni and Ray Nkonyeni local municipalities, with OUTA's Julius Kleynhans and Tim Tyrrell, and UAG's Philip Bacchus. Watch [here](#).

**22 March 2023:** CAN hosts a webinar on property valuations and rates for property owners in George Local Municipality, with OUTA's Julius Kleynhans and Tim Tyrrell, and George Ratepayers' Association's Dennis Farrell. Watch [here](#).

**22 March 2023:** WaterCAN and Lawyers for Human Rights host a webinar addressing the dire state of South Africa's water resources, reminding listeners that access to water is a basic human right. The discussion was facilitated by Daily Maverick's Mark Heywood and included WaterCAN's Dr Ferrial Adam, Sasol environmental whistleblower Ian Erasmus and the LHR environmental rights programme's Palesa Maloisane. Watch [here](#).

**5 April 2023:** In this OUTA vodcast, South African whistleblower June Bellamy and US whistleblower Jackie Garrick speak to OUTA's Rachel Fischer about their personal and professional journeys as whistleblowers. They discuss the psychological impacts of being a whistleblower, especially due to the retaliation from employers and colleagues. Watch [here](#).

**6 April 2023:** In this vodcast, OUTA's Advocate Stefanie Fick provides an update on the recent successes achieved by civil society in holding the government to account: the overturning of the national state of disaster, the withdrawal of the PFMA exemptions for Eskom, and the removal of former SAA executive Yakhe Kwinana from the roll of chartered accountants. These successes are a result of civil society efforts. Watch [here](#).

**20 April 2023:** WaterCAN hosts a webinar on organisations fighting river pollution in South Africa, facilitated by WaterCAN's Dr Ferrial Adam and involving Janet Simpkins of Save Our Rivers and Seas from Sewage, Fritz Bekker of Gariep Watch, and Paul Maluleke of Alex Water Warriors. Watch [here](#).

**12 May 2023:** OUTA's Moral Courage Recognition programme recognises active citizens who have taken a morally courageous stand against wrongful conduct in the corporate or public sector workplace. We believe that recognition of moral courage is just one important element in the value chain of speaking truth to power and doing what is right. In this video, OUTA's Wayne Duvenage explains the programme. Watch [here](#).

**29 May 2023:** OUTA's Wayne Duvenage explains in this video why the government's proposed Karpowership energy deal makes no sense: it would provide only 1220MW of power (saving about one stage of loadshedding) but cost up to R500 billion for the proposed 20-year contract. Watch [here](#).

# OUTA in Action: Podcasts and webinars

**5 June 2023:** OUTA's Wayne Duvenage discusses whistleblowing with two recipients of OUTA's Moral Courage Recognition awards, Joel Ledwaba, who opposed the land grabs in which then Mpumalanga Premier David Mabuza was implicated, and Cynthia Stimpel, who stood up to corruption in SAA. Watch this vodcast [here](#).

**30 June 2023:** OUTA marks the International Day of Parliamentarism with this video explaining how South Africa's parliament should be promoting accountability and defending democracy. Watch [here](#).

**3 August 2023:** WaterCAN hosts a webinar on women, water and activism with WaterCAN's Dr Ferrial Adam, GroundWork environmental activist Tsholofelo Sepotokele, Earthlife Africa director Makoma Lekalakala and Wits University law professor Tracy-Lynn Fields. Watch [here](#).

**17 October 2023:** OUTA webinar on demystifying parliament, understanding its challenges and embracing opportunities for improved oversight, with OUTA's parliamentary engagement and research manager Rachel Fischer, Gregor Jaecke of the Konrad Adenauer Stiftung, Devi Pillay of the Public Affairs Research Institute, and Moira Levy of the Institute for African Alternatives. Watch [here](#).

**1 November 2023:** OUTA initiative JoburgCAN hosts a webinar on what can be done to fix the

City of Johannesburg with OUTA CEO Wayne Duvenage, JoburgCAN executive Julius Kleynhans, and the Ahmed Kathrada Foundation's Neeshan Balton. Watch [here](#).

**31 January 2024:** Joburg CAN hosts a webinar on dealing with inaccurate municipal bills, with OUTA's Julius Kleynhans and Schindlers Attorneys' Chantelle Gladwin-Wood. Watch [here](#).

**13 February 2024:** WaterCAN hosts a webinar unpacking the proposed amendments to the National Water Act and the Water Services Act, with WaterCAN's Dr Ferrial Adam, Dr Anthony Kaziboni of the University of Johannesburg's Centre for Social Development, John Dini of the Water Research Commission, and water justice activist Faeza Meyer. Watch [here](#).

**28 February 2024:** CAN launches a co-governance webinar series, exploring community wins and lessons from active citizenry. This inaugural webinar, hosted by JoburgCAN manager Julia Fish, hears from Yunus Chamda of Action for Accountability, Danyle Nunes of Creass Community Services and the Melville Security Initiative, and OUTA executive Julius Kleynhans on ways of driving positive change. Watch the recording [here](#).

# OUTA in Action: Bridge Brigade protests

Banner messages included:

**"WE WILL NOT BE SILENCED!"**

**"GOVERNMENT IS THE ROADBLOCK"**

**"FIX ESKOM: DROP STATE OF DISASTER"**

**"PROSECUTE STATE CAPTURE CULPRITS"**

**"PROTECT WHISTLEBLOWERS"**

**"CORRUPTION IS ALWAYS IN SEASON"**

OUTA's Bridge Brigade team held **49 protests** during the year, mainly on Gauteng freeway bridges but also outside courts and at whistleblower memorials.



# NETWORKING: OUTA PARTICIPATES IN THESE FORUMS

- Civil society electoral reform interest group
- Civil Society Working Group on Political Party Funding
- Civil Society Working Group on State Capture
- Civil Society Working Group on the National Prosecuting Authority
- Defend Our Democracy
- Electoral Participation for Integrity by Civil Society (Epics)
- Health Sector Anti-Corruption Forum
- Local Government Anti-Corruption Forum
- National Anti-Corruption Strategy Reference Group
- Parliamentary Public Participation Working Group

## OUTA JOINT PROJECTS

### Enhancing Accountability Programme

- European Union
- OUTA
- Parliamentary Monitoring Group
- OpenUp

## WaterCAN PARTNERS

- Adopt-A-River
- African Climate Reality Project
- Claude Leon Foundation Chair in Water Research, University of the Witwatersrand
- Climate Justice Charter Movement
- Defenders for Environment and Human Rights Violations in Africa (DEHRVA)
- Environmental Monitoring Group
- Gariep Watch
- Gender CC (Women for Climate Justice)
- Imminent
- International Labour Research and Information Group
- Johannesburg Crisis Alliance
- Johannesburg Water Crisis Committee
- Let's Change Ba-Phalaborwa
- Process, Energy and Environment Technology Station, University of Johannesburg
- Save Our Rivers and Seas from Sewage
- South African Water Caucus
- South Durban Community Environmental Alliance
- The Sciences, Technology, Engineering and Mathematics (STEM) Club Network: Cape Town Science Centre
- Women's Leadership and Training Programme
- A growing network of citizen scientists, including 23 individuals and organisations who test water at about 115 spots monthly.





“When elections come and people ask us to vote for them, we need to ask them: what are you going to do to make sure that our rivers are clean and that we have safe, clean drinking water, without interruptions for the next twenty years or so?”

*Dr Ferrial Adam, executive manager of OUTA’s WaterCAN initiative*

# OUTA Local Government Division: Overview

**JULIUS KLEYNHANS**  
**EXECUTIVE MANAGER:**  
**LOCAL GOVERNMENT**



OUTA's local government division was set up during 2021/22 to explore ways to empower communities and individuals to drive improvements in service delivery and governance, particularly in local government.

This division was initially known as the social innovation division, but the name was changed during 2023/24 to better reflect the focus on community and municipal matters.

The team develops networks, platforms and tools to help communities and individuals collaborate, give them greater access to municipalities, and hold those municipalities accountable for poor service delivery.

There is a dual focus: on empowering and encouraging individuals and organisations to network and implement joint action, and on developing digital tools to help them.

The team is developing three initiatives: the LINK mobile app, the Community Action Network (CAN), and the WaterCAN platform.

The **LINK app** was launched in 2021, with the first municipality signed up to use the app in December 2021. This is a free application for municipalities that enables residents to register infrastructure breakdown and maintenance issues on a platform that alerts their municipality directly. This app also provides a free back-end platform to municipalities

so they can make use of the information provided to them by their residents through the app and report updates on incident resolution to the residents and communities.

The **Community Action Network (CAN)** was launched in December 2021. The purpose of CAN is to empower communities across the country to participate meaningfully in the affairs of their municipalities to ensure good service delivery. CAN strives to unite local communities, foster organisation, advance co-governance and facilitate coordinated efforts to drive positive change within their respective municipalities. CAN is dedicated to building a network of like-minded communities and equipping them with the necessary tools to do their work effectively.

The **Water Community Action Network (WaterCAN)** was launched in March 2022. It aims to enable individual and community participation in measuring and reporting water quality information throughout the country. By using a citizen science approach and empowering various water forums, the platforms enable communities to record water quality information so it is available to all stakeholders. WaterCAN is developing a network of water champions and citizen scientists to protect water sources throughout the country.

# OUTA Local Government Division

## The OUTA LINK mobile app for municipalities



OUTA developed the LINK mobile app as a tool to be used by municipalities and their communities to improve communication and service delivery.

LINK provides a smart platform for communities to report a range of faults to municipal administrators, and generates performance dashboards and best practice information for municipalities and oversight bodies.

The app is designed for municipal use only, and the information on it is accessible only to the municipalities and their residents.

The LINK app is intended to reduce the municipal administrative burden and costs, and help to improve service delivery. Residents load the app on their cellphones and it gives them an easy, effective way to communicate directly with their municipality about

problems or service issues. The app provides a reporting service, so residents can report problems such as faulty traffic lights, potholes, water leaks, sewage overflows, illegal dumping and more. The app connects the residents with municipal incident management teams, enabling accurate and efficient reporting of problems that require municipal attention. It's quick and easy – the entire reporting process can be done in seconds, all from a mobile phone, and the municipality can use the app to provide feedback on the query or complaint. If complaints are not resolved, users can repeat reports to encourage the municipality to address the issue.

From a municipal point of view, the LINK app backend portal enables efficient municipal administration by enabling the prioritisation

# OUTA Local Government Division

of actions, cost saving through accurate reporting, better communication with residents, performance tracking, the measuring of workstream performance and the reduction of pressure on call centres. The app's reports and dashboards provide valuable information for municipal management.

The advantage for the municipality is better communication with residents and saving on costs through the use of an app which it does not have to develop itself.

LINK is used in municipalities following agreements between those municipalities and OUTA.

The first municipality to sign up and launch LINK was the Kouga Local Municipality in the Eastern Cape, in 2021.

By February 2024, a total of 13 municipalities had signed up to use LINK and the app had been launched in 10 of them.

These are the municipalities signed up to use LINK:

- Beaufort West Local Municipality, Western Cape;
- City of Cape Town, Western Cape;
- Dr Beyers Naudé Local Municipality, Eastern Cape;
- eMadlangeni Local Municipality, KwaZulu-Natal;
- Hantam Local Municipality, Northern Cape;
- Kannaland Local Municipality, Western Cape;
- Khâi-Ma Local Municipality, Northern Cape;

- !Kheis Local Municipality, Northern Cape;
- Kouga Local Municipality, Eastern Cape;
- Laingsburg Local Municipality, Western Cape;
- Nama-Khoi Local Municipality, Northern Cape;
- Richtersveld Local Municipality, Northern Cape; and
- Swellendam Local Municipality, Western Cape.

The LINK team is investigating strategies to increase user uptake of the app by residents in the municipalities which have signed up, for example, by promoting it on social media.

The team is also investigating the possibility of adding a payment gateway to LINK so that users will be able to pay municipal accounts through the app.

The LINK team is constantly striving to improve the user experience for both residents and municipalities. We believe that 2024/25 will see growth in terms of more municipalities signing up and more municipal residents using the app.

Find out more and download the app [here](#).

# OUTA Local Government Division

## OUTA's **Community Action Network (CAN)**



### Helping residents to network

We **CAN** fix our cities, towns and neighbourhoods

The Community Action Network (CAN) is an initiative OUTA is driving to help local community organisations become more organised and effective in their work. Part of the initiative is a tool called the Community in A Box (CAB) solution which helps community organisations manage their membership and communications, become stronger and more financially sustainable, share knowledge and resources, and to be more

proactive in engaging with municipal management and ward councillors. This platform is particularly focused on organisations which want to engage with municipalities and municipal processes.

The trial version of the CAB was launched in December 2021. It is through the test phase and is now being rolled out to more community organisations.

The initial CAB was developed by an external commercial partner but the initiative adapted its strategy in 2023 to create more of a plug and play solution and it is working well. CAN charges organisations using the platform 10% of the fees collected, which contributes to the cost of sustaining the CAN initiative.

# OUTA Local Government Division

## This is how CAN helps residents' and ratepayers' organisations

The CAB solution is a high-quality, web-based platform which provides partner organisations with:

- A tool for signing up new members with ease;
- A tool for managing an organisation's membership database;
- A tool for managing crowdfunding, membership payments and finances; and
- A tool for communicating with an organisation's members and delivering newsletters.

Furthermore, CAN allows for organisations to network with other similar organisations and share information, expertise, resources and best practices.

The community organisation registers on the website, [www.can.org.za](http://www.can.org.za) to become an affiliate and also to enquire about signing up for the CAB solution.

The new CAB solution onboarded its first community organisation in July 2023 when WelgegundCAN, based in the North West, joined the new platform as a beta partner. By the end of February 2024, the CAB had six community organisations signed up and another six in the process of joining.

These residents' and ratepayers' organisations are using the CAB solution and are full affiliates to CAN:

- JoburgCAN: Greenside Residents' Association;
- Milnerton Central Residents' Association;
- Save our Rivers and Sea from Sewage;

- Swellendam People's Assembly of Residents Collective (SPARC);
- Umbilo South Association; and
- WelgegundCAN.



## JoburgCAN

The CAN initiative is also testing an "Association of Associations" concept in the City of Johannesburg which enables community organisations to become affiliated to an umbrella body that can focus on high level issues within the City.

JoburgCAN exists to organise and empower a network of community associations and businesses, to ensure the responsible collection and use of rates and tax revenues, along with good service delivery by the City.

JoburgCAN affiliates are growing rapidly and the following Communities have signed up to become part of JoburgCAN since its launch in August 2023:

- Parkview Residents' Association;

# OUTA Local Government Division

- Saxonwold and Parkwood Residents' Association (Sapra);
- Welridge Residents' Association; and
- CraigPark Residents' Association.

JoburgCAN is currently engaging with another 56 organisations within the City and hopes to get most of these organisations signed up as affiliates in the months to come.

## CAN activities and resources

CAN has started a collection of resources on its website which are useful for local community organisations. These include advice on fundraising, getting people involved, municipal laws, and how to get your organisation started.

Through 2023/24, CAN has promoted information about municipal issues. This includes running a campaign throughout the year to encourage ratepayers to understand municipal property valuations, the process of updating the municipal general valuation rolls, the effect this has on property rates, and how to object to erroneous valuations. This campaign started in 2022/23, with a webinar explaining the valuations process and new general valuation roll issued by the City of Johannesburg. During 2023/24, CAN hosted six webinars on updates to municipal general valuation rolls, some with municipal experts, for residents in Cape Town, Sol Plaatje, Mbombela, Umdoni, Ray Nkonyeni and George municipalities.

In July 2023, CAN launched a public survey (see [here](#)) asking property owners in the City of Johannesburg how they had been affected by the increase in their property valuations on top of the City's 2% increase in rates charges from 1 July, arising from concerns that the City may have inaccurately assessed valuations and disregarded objections. Respondents to the survey indicated that property values had been increased by an average of 37%, which CAN said was unreasonable and called on the City to limit valuation increases to 9% and drop the rates increase from 2% to -2.5% (see [here](#)).

CAN also raised issues on municipal budgeting and governance, particularly in the City of Johannesburg (see [here](#), [here](#) and [here](#)), and concerns over possible manipulation of municipal boundaries (see [here](#)).

JoburgCAN, the section of CAN which manages the Johannesburg-based organisations, hosted webinars on what can be done to get the City of Johannesburg working again and how to deal with inaccurate municipal bills (see [here](#)).

In February 2024, CAN held the first [webinar](#) in a new series on co-governance, aimed at exploring community wins and lessons from active citizenry. This series is due to run through 2024/25.

Find out more on CAN [here](#).

# OUTA's WaterCAN initiative

DR FERRIAL ADAM  
WATERCAN EXECUTIVE MANAGER



## Water Community Action Network (WaterCAN)



### Growing our network of citizen scientists

The Water Community Action Network (WaterCAN) was launched on 22 March 2022, on World Water Day, at a webinar discussing the human rights disaster of sewage pollution of South Africa's water sources. Since then, WaterCAN has not stopped campaigning for the right to the safe, reliable supply of water, protection of water sources and clean-up of wastewater treatment works (WWTW).

A key WaterCAN strategy is building a network of citizen science activists to become water guardians and put pressure on water services authorities to

improve the management of water resources and sanitation services. WaterCAN also develops online tools for those activists to record their data, to back up their calls for action.

During 2023/24, South Africa's water woes intensified in terms of both quality and quantity. There was a cholera outbreak in five provinces that resulted in at least 50 deaths, most of them in Hammanskraal, Gauteng. Large parts of Johannesburg experienced water shedding that resulted in communities not having clean drinking water for extended periods. The release of the Blue Drop, Green Drop and No Drop reports in early December 2023 by the Department of Water



# OUTA's WaterCAN initiative

and Sanitation showed a complete deterioration in quality controls across the country — 46% of drinking systems don't comply with microbiological standards, 68% of WWTW are failing and 47% of our water is lost or unaccounted for.

WaterCAN played a key role in the water sector over the year, resulting in significant growth. We increased the number of citizen scientists testing water, we built networks with government, water organisations and activists, and we increased education and awareness of water challenges. Our collective efforts have garnered attention from government, civil society and the media.

The WaterCAN programme helps to raise the level of civil society participation and action that seeks to ensure clean and safe water resources through democratising water quality information, for the ultimate purpose of holding authorities to account when standards and expected corrective actions are not being achieved.

## Support from funders for WaterCAN

WaterCAN received funding from Rosa Luxemburg Stiftung for the training of 15 young women in rural KwaZulu-Natal. The training included water quality testing, understanding sanitation and leadership. The partnership was with the Women's Leadership and Training Programme and Adopt-A-River.

Millennium Trust has funded WaterCAN's water testing kits, training, the Map My Water water quality map, and laboratory testing when needed. WaterCAN has been able to use tests to hold municipalities accountable and, for example, has laid charges against the City of Johannesburg. The key themes in this project are water testing, training, accountability, awareness raising and mobilisation.



# OUTA's WaterCAN initiative

## More citizen scientists, more water testing

In September 2023, WaterCAN held its second annual water testing week, coinciding with World Water Testing Day on 18 September and World Rivers Day on the last Sunday of September. This water testing week is aimed at expanding our citizen science network, and has grown from 120 tests carried out in September 2022 to more than 1 700 tests in September 2023. This growth can be attributed to a few reasons: WaterCAN's citizen science network has grown; we increased education and awareness campaigns on the importance of water quality and quantity through webinars, media and training; the worsening state of water resources has increased civic activism and the demand for monitoring of water resources; and WaterCAN is now seen as a formidable force under the banner of OUTA.

WaterCAN has developed basic water testing kits which are easy for the public to use, and these have formed the basis of our citizen scientist activities.



*Dr Ferrial Adam testing water*

WaterCAN distributed about 2 400 of these kits, including kits used for training.

In March 2023, WaterCAN and the Durban-based Adopt-A-River wrote to the eThekweni metro, calling for it to immediately address the dangerously high levels of E. coli in the Umbilo River that runs through the city. We jointly conducted a series of E. coli tests both below and above the Umbilo River WWTW over six weeks, which showed critically high levels of E. coli. In Johannesburg, WaterCAN did similar tests in the Klein Jukskei River and found critical levels of E. coli there too.

In June 2023, following confirmation of cholera cases in Hammanskraal, WaterCAN tested water from four taps in Hammanskraal and found all points free from cholera but three of the taps – including a tap at a tanker filling point – providing water that was unsafe to drink.

During the water shedding in the greater Johannesburg area, communities called on



*OUTA WaterCAN at Sasol court appearance, Evander*

# OUTA's WaterCAN initiative

WaterCAN to provide water test kits as people became less trusting of the tap water. We had two water testing campaigns in Johannesburg that allowed us to play a crucial role in monitoring the water situation and ensuring ongoing awareness and action.

## Building networks

The WaterCAN methodology of testing water is the stepping stone to building the citizen science network. The methodology encourages building relationships with different civil society groups and NGOs, levels of government, business and media.

WaterCAN has worked closely with groups like the South African Water Caucus, Women's Leadership and Training Programme, Environmental Monitoring Group, Let's Change Ba-Phalaborwa, Gariep Watch, the International Labour and Information Group (ILRIG), Adopt-A-River, and Save Our Rivers and Sea from Sewage. A highlight was the training in

March 2023 of a group of 15-year-old girls in the Underberg Region. The training focused on empowering and training young women on environmental issues and water testing, fostering a sense of responsibility towards our precious natural resources.

In October 2023, Maverick Citizen editor Mark Heywood facilitated a webinar discussion between WaterCAN executive manager Dr Ferrial Adam and Department of Water and Sanitation DG Sean Phillips, on "Reimagining Joburg: Weighing up the water crisis".

In November 2023, WaterCAN initiated a public meeting with relevant civil society groups and representatives from Johannesburg Water, Rand Water, and the Department of Water and Sanitation. Bringing these stakeholders together to tackle the Johannesburg water crisis was a key achievement. A water forum was established and was due to meet every two months to find collective solutions.



*Community involvement and engagement to encourage more citizen scientists and water testing interventions.*

# OUTA's WaterCAN initiative



*Cause for concern: The Klip River is the main river draining the portion of Johannesburg south of the Witwatersrand. Its basin includes the Johannesburg CBD and Soweto. Towns along the river include Vereeniging, Henley on Klip, Lenasia and Meyerton.*

## Increasing education and awareness

WaterCAN has focused on raising awareness, fostering meaningful discussions, providing thought leadership and inspiring tangible action to combat the water crises. Through a combination of webinars, targeted social media campaigns and effective media exposure, we have set in motion a powerful movement towards cleaner waterways. Our website showed a 900% increase in web traffic over the two years of WaterCAN's existence.

WaterCAN conducted 20 training sessions of groups ranging from 10 to 20 people. The training sessions have been useful to build relationships and to get people to commit to becoming long-term testers whom we will work with in 2024/25.

In June 2023, WaterCAN examined the City of Johannesburg budgets and pointed out that, over the last five years, the City's utility Johannesburg Water has spent at least R200 million on repairs and upgrades for the Bushkoppies and Goudkoppies WWTW but there are still sewage spills from both into the rivers, raising questions about the value of the spending. In October 2023, WaterCAN called on Gauteng water authorities to make their water infrastructure plans public, with detailed spending and timelines, after authorities provided patchy information during a period of ongoing water supply crisis. WaterCAN found discrepancies between the information provided by the City of Johannesburg's utility Johannesburg Water to the public and the information contained in the City's annual budget.

# OUTA's WaterCAN initiative



*The WaterCAN methodology of testing water is the stepping stone to building the citizen science network.*

During 2022 and 2023, WaterCAN attended the criminal case in the Secunda Magistrate's Court against Sasol for allegedly discharging water contaminated with chemicals including vanadium into the Vaal River. WaterCAN is watching this crucial case and keeping it in the public eye.

In February 2024, WaterCAN joined other water activists criticising Rand Water for spraying the herbicide glyphosate on the Vaal River to combat water lettuce which had been allowed to spread unchecked; WaterCAN suggested that a more sustainable solution would be to address the sewage leaks which encourage the growth of the water lettuce.

On 14 February 2024, WaterCAN delivered

Valentine's Day "break-up" messages with dead flowers and dirty water to the five mayors of the City of Cape Town, City of Johannesburg and eThekweni metros, and Emfuleni and Dipalasang local municipalities, as a protest against the deterioration of drinking water and river water.

WaterCAN has positioned itself as a formidable civil society force on water and sanitation in South Africa. We have a good working relationship with the Department of Water and Sanitation and the Green Scorpions, the environmental enforcement officials of the Department of Forestry, Fisheries and the Environment, and we are considered a respected voice in civil society.

# OUTA's WaterCAN initiative

## Strategies for change: criminal charges

In July 2023, we laid criminal charges laid against the City of Johannesburg, its current municipal manager Floyd Brink and previous municipal manager Bryne Maduka in response to the ongoing sewage pollution from the Goudkoppies and Bushkoppies WWTWs into the Klip River and ultimately the Vaal River. Goudkoppies has been leaking sewage since at least Freedom Day 2022, when the generator broke down and later the power cables were stolen, causing outflow to be rerouted through Bushkoppies, resulting in that plant also leaking. The spills continued despite a directive issued in August 2022 against the City by the Department of Water and Sanitation (we obtained a copy of this directive and site inspection reports through a Promotion of Access to Information Act request to the department in December 2022). While this was not the first action of its kind, we were able to share and document the process (see our struggle to lay charges [here](#) and getting it done [here](#)). Actions like this we undertake are informing other groups and organisations on how to take their own actions.

## Strategies for change: Map My Water

The [Map My Water](#) tool, launched in February 2023, has been a good addition to our work. This tool was developed so citizen scientists can upload the results of their water tests, sharing them with others. The rapid growth of WaterCAN has increased the demand for testing kits, but we found that people

were not always uploading their data, as some had difficulty navigating the site and uploading, while others whose test results showed good quality water felt that it was not necessary to report on the data. For most of the year we did not have the administrative support to follow up on testing and uploading of data. However, we want to ensure that the process is more robust and we are working on establishing a process flow from testing to uploading data and reporting that will tighten the controls. We want this site to be a credible and reliable source of data.

## Strategies for change: No Water / Leaks Map

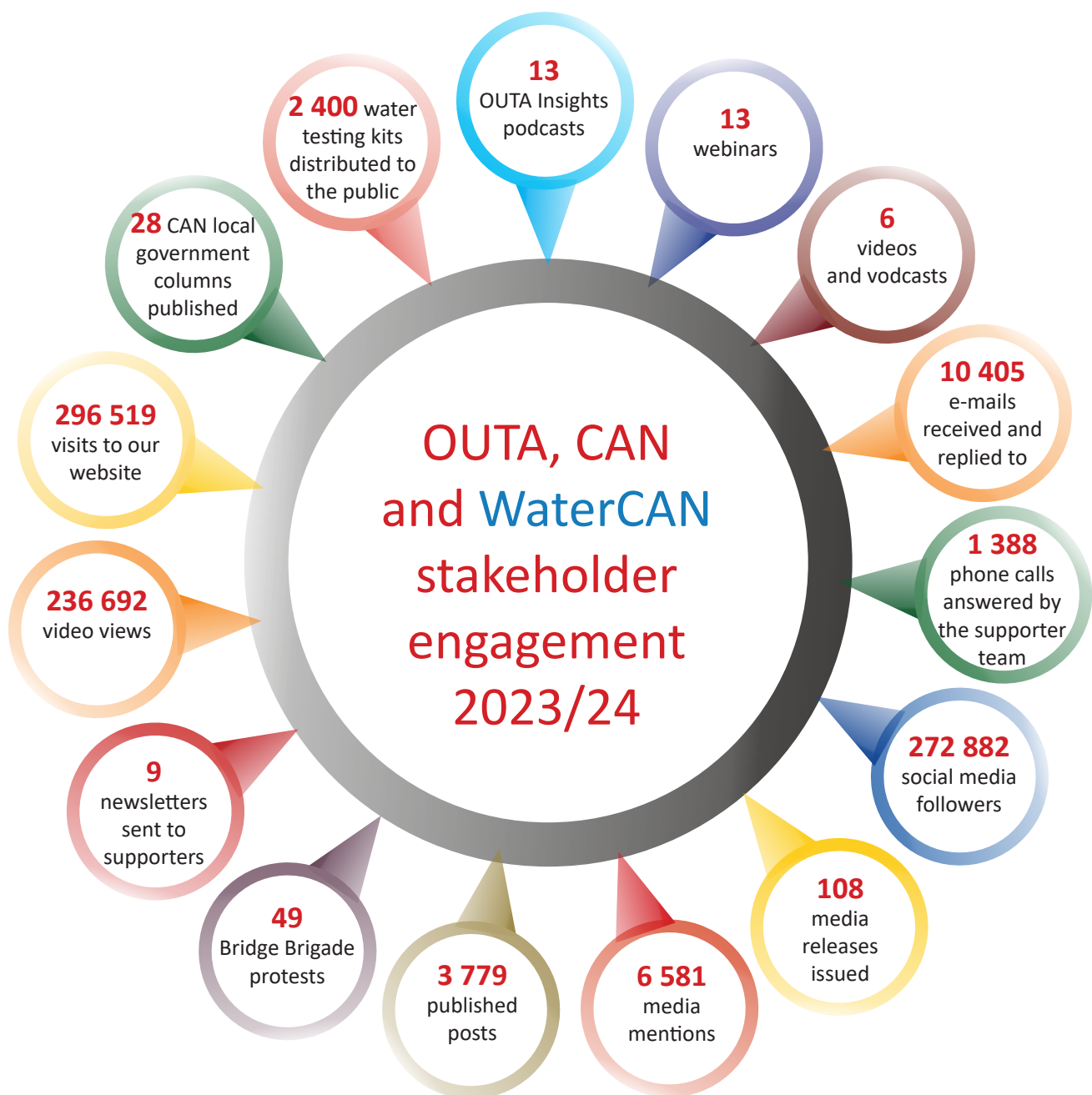
In February 2024, WaterCAN launched a [No Water / Leaks Map](#), to involve the public in tracking water leaks, water shedding and the prevalence of faulty water meters which “bill for air”, to help hold municipalities to account for water services.

In December 2023, WaterCAN executive manager Dr Ferriall Adam was honoured with the Daily Maverick Environmental Justice Award, for her work on defending water resources.

“She has become a beacon of hope in addressing the water crisis issues faced across the country and works extensively with Johannesburg communities through her work at OUTA’s WaterCAN, giving power back to people through education on how to test water, purify it and clean water sources in communities. She completed her PhD on Citizen Science and Environmental Justice in South Africa’s Water Sector at the University of Johannesburg,” said the Daily Maverick citation.

Read more about WaterCAN [here](#).

# Stakeholder engagement 2023/24



# HOW OUTA IS FUNDED

## OUTA'S FUNDING JOURNEY FROM MARCH 2012 TO FEBRUARY 2024

Over the 12 years since OUTA's inception in March 2012, OUTA has generated donor support of R332 million. The table below shows that 68% of our support comes from individuals, while close to 29% is from business (largely from the SMME sector), with 3% from donor foundations.

<b>OUTA INCOME BREAKDOWN FOR THE 12-YEAR PERIOD 2012/13 - 2023/24</b>			
	<b>Total income 11 years</b>	<b>Average / annum</b>	<b>% of total</b>
<b>Total donation income</b>	<b>R332 477 595</b>	<b>R27 706 466</b>	<b>100%</b>
Individuals	R226 875 028	R18 906 252	68%
Business	R96 123 706	R8 010 309	29%
Other and donor foundations	R9 478 861	R789 905	3%

OUTA's revenue-generating strategies need to be seen in the light of the two distinct eras of the decade of operation. The first third was the four years from March 2012 to February 2016, when OUTA was funded largely by fleet industry organisations who set out to review the government's e-toll decision in the high court.

At that time, the organisation was known as the Opposition to Urban Tolling Alliance and comprised an alliance of NGOs: the South African Vehicle Renting and Leasing Association (SAVRALA); the Retail Motor Industry Organisation (RMI); the South African Travel Services Association (SATSA); the QuadPara Association of SA (QASA); and the South African National Consumer Union (SANCU). SAVRALA and its members (mainly the car rental industry) were the major funders of the early litigation cases during 2012 and 2013. Unfortunately, their support ended in 2013, due to government pressure brought against their support of the anti-e-toll challenge.

The second period is the eight years from March 2016 to February 2024, which covers the period that OUTA's broader mandate and a new memorandum of incorporation came into being. Known as the Organisation Undoing Tax Abuse since 2016, OUTA set out to do more than tackle the e-toll issue and developed a strategy and structure to tackle corruption and maladministration within the public sector. During this period OUTA introduced a continuous crowd-funding model, focussed on driving support from individuals and smaller businesses.

**Over the last eight years, OUTA has opened 286 projects and employed an average of 42 people per annum.**

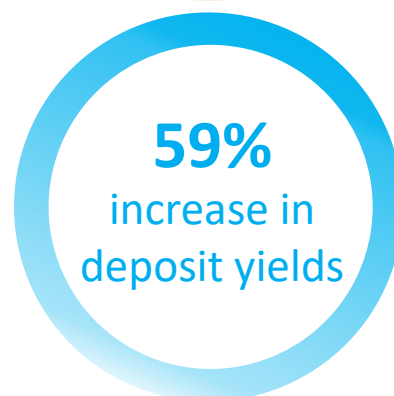


# OUTA FINANCIAL INFORMATION

## March 2023 - February 2024

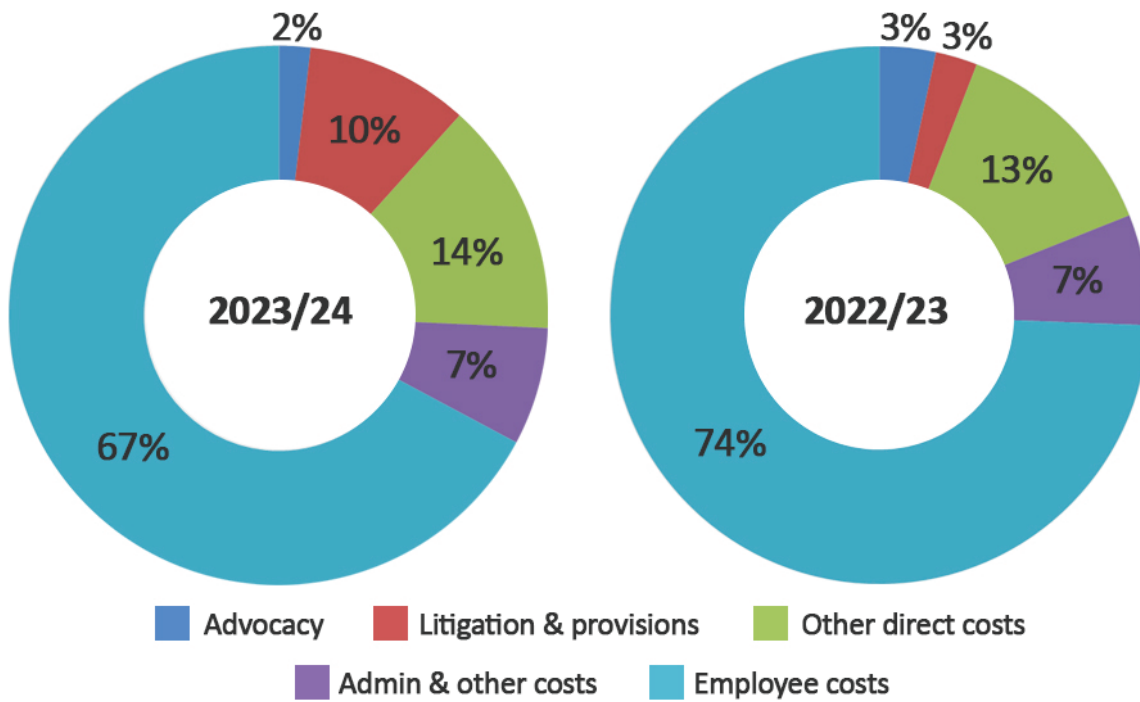
The 2023/24 financial year produced a positive shift in our organisation's income, despite the tough economic environment the country finds itself in with GDP growth slowing further from a low 1.9% in 2022 to 0.6% in 2023, unemployment remaining high at around 32% although slightly improved from the prior year's 34%.

- There was a slight reduction in OUTA's supporter base, ascribed to the tougher economic conditions which affected our supporters and the impact of government's announcement that e-tolls would be scrapped in the coming year.
- Despite this, OUTA was able to improve its donor revenue to R41.5 million (by 8%), due to a few higher value donations as well as donor foundation income for two specific projects.
- As with most NGOs, the cost of staff remains our biggest expense, which came in at R29.2 million. This was slightly down on the prior year's staff costs, due to a slight reduction in our headcount.
- Expenses related to litigation and advocacy work increased to R5.1 million (significantly up on the prior year of R2.3 million), due to increased legal activity and provisions for future litigation. This in turn impacted on the increase of our direct costs from R7.4 million last year to R11.2 million this year.
- OUTA's provisions are invested in fixed-term deposits, and these generated a yield of R2.0 million, which was 59% up on the 2022/23 financial year, due largely to higher income and higher interest rates and reinvestment of interest earned from maturing investments.
- During the year, other operational and administrative costs in total (which included staff expenses) came in at R32.3 million, which was virtually the same as the prior year.
- The surplus after provisions was slightly above breakeven at R37 224, slightly down on the prior year of R127 000.



# FINANCIAL YEAR

2023/24		2022/23
R 41.5m	DONOR INCOME	R 38.4m
R 11.2m	DIRECT COSTS (Including provisions for litigation)	R 7.4m*
R 29.2m	EMPLOYEE COSTS	R 29.7m
R 3.1m	OTHER OPS COSTS	R 2.6m
R 2.1m	OTHER INCOME (Including legal costs recovered)	R 1.6m*



43	HEADCOUNT (Average throughout the year)	45
28	NUMBER OF NEW PROJECTS (Projects opened during the year)	27
34	NUMBER OF CLOSED PROJECTS (Projects closed during the year)	25
35	NUMBER OF OPEN PROJECTS (At the close of the year)	41

\* Restated after auditing



“I think we forget that a democratic society is not about going to the polls and voting. Voting is one part of a democracy. Another element of a democracy is for the citizens to keep track, to watch. If we don’t, then we are going to have a government that runs rampant. And yes, we must pay our taxes, but it is our responsibility to make sure that things happen. We as citizens can’t leave everything to government. We need to start with ourselves. We also have a role to play.”

*Dr Ferrial Adam,  
executive manager of OUTA’s WaterCAN initiative*



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