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18 September 2017

To: The Minister  
Department of Social Development  
Per: Hand delivery

To: The Director General  
Department of Social Development  
Per: Hand delivery

To: The Chief Executive Officer  
South African Social Security Agency  
Per: Hand delivery

To: The Chief Procurement Officer  
Treasury  
Per: Hand delivery

To: The Chair Person  
Standing Committee on Public Accounts  
Per: Hand delivery

To: Parliamentary Committee  
Social Development  
Per: Hand delivery

To: Executive Director  
Black Sash  
Per: Hand delivery

Dear Sir/Madam

**RE: A REPORT IN REGARDS TO THE IRREGULAR APPOINTMENT OF AZANDE CONSULTING BY THE SOUTH AFRICAN SOCIAL SECURITY AGENCY**

**OUR REF: SD/SASS/03/004**

1. We refer to the above.
2. The Organisation Undoing Tax Abuse (OUTA) is a proudly South African non-profit civil action organization, comprising of and supported by people who are passionate about improving the prosperity of our nation. OUTA was established to challenge the abuse of authority, in particular the abuse of taxpayers' money.
3. OUTA has come to possess information which demonstrates that the South African Social Security Agency (SASSA) concluded a pair of irregular tenders with Azande Consulting CC, an events management company which works regularly with the Presidency. Courageous whistleblowers have presented us with evidence of these tenders, amounting to approximately R400 million (R400 000 000) that were awarded to Azande Consulting CC ("Azande"). These tenders are:
  - a) SASSA: 42/15/GA - Mikondzo Event Management Services ("Mikondzo") to be performed through outreach programmes for a period of three (3) years in nine (9) provinces.
  - b) SASSA: 40/15/BT - Action Research Project to be performed as part of the integrated community outreach programme ("ICORP") of SASSA in targeted areas for a period of three (3) years in nine (9) provinces.
4. We have attached a report to this letter which will demonstrate that both tenders were granted without following due process and were for services which could have either been performed in house or where entirely unnecessary. Azande was simply not

capable of providing the services in terms of the tenders and either failed to provide proof that they had performed the service or falsely misrepresented that they had performed the service.

5. This conduct on the part of certain SASSA officials and Azande breaches the provisions of the Constitution of the Republic of South Africa, the Companies Act 77 Of 2008, the Preferential Procurement Policy Framework Act 5 of 2000 and the Public Finance Management Act 1 of 1999.
6. With this in mind, OUTA strongly recommends that the various bodies who receive this report act to cancel these tenders, reclaim the hundreds of millions spent and hold the individuals responsible accountable for their misconduct.
7. We request that you respond within 14 days of the date of the this letter, failing which we reserve our right to take action.
8. Kindly contact our legal advisor Mr. D Harty at [david.harty@outa.co.za](mailto:david.harty@outa.co.za) in the event of any queries.
9. We trust that you find the above in order and look forward to receiving your response.
10. Kindly acknowledge receipt of this letter.

INSTRUCTING HEAD OF  
DEPARTMENT: \_\_\_\_\_

**FOR OFFICE USE AFTER COMPLETION:**

COMPLETED ON: \_\_\_\_\_

COMPLETED BY: \_\_\_\_\_

**ACKNOWLEDGEMENT OF RECEIPT**  
(IF APPLICABLE)

Received by: \_\_\_\_\_

Date: \_\_\_\_\_

Time: \_\_\_\_\_

Stamp: \_\_\_\_\_

Yours Sincerely,



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**Dominique Msibi**

**Portfolio Director – Special Projects**

**OUTA – Organisation Undoing Tax Abuse**

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