



EXHIBIT HH 4

AFFIDAVIT & ANNEXURES

OF

EPHRAIM MAKHOSINI

DHLAMINI



**JUDICIAL COMMISSION OF INQUIRY INTO ALLEGATIONS OF STATE CAPTURE,
CORRUPTION AND FRAUD IN THE PUBLIC SECTOR INCLUDING ORGANS OF STATE**

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**JUDICIAL COMMISSION OF INQUIRY INTO ALLEGATIONS OF STATE
CAPTURE, CORRUPTION AND FRAUD IN THE PUBLIC SECTOR
INCLUDING ORGANS OF STATE**

STATEMENT

I, the undersigned

EPHRAIM MAKHOSINI DHLAMINI

state as follows:

- 1 I am a member of the community that resides at Thembalihle township, Vrede, in the Free State Province.
- 2 I am also the Chairman of the Vrede chapter of the African Farmers Association, an association of African farmers in the locality of Vrede. This association is a national association to which we at Vrede are affiliated. It is patent from our association with the African Farmers Association that we are true farmers. Our members have interests in both dairy, pig, red meat and poultry farming.
- 3 In or about 10 June 2019 the investigators of the Judicial Commission of Inquiry into Allegations of State Capture, Corruption and Fraud in the Public Sector ("the Commission") arranged to interview those of us who had personal knowledge of the meetings that led to the selection of beneficiaries for the Vrede Integrated Dairy Farm project ("the dairy farm project").

E.M.

- 4 I attended that meeting in conjunction with, among others, Mr. Meshack Ncongwane, Mr. Piet Mokoena, Mr. Wellem Khanye, Mr. Jose Mofokeng and Mr. Silas Mokonehatsi.

Background

- 5 I am aware that Mr. Meshack Ncongwane ("Mr. Ncongwane"), the Deputy Chairman of our association intends to testify to certain facts relating to the establishment of the dairy farm project that the Department of Agriculture and Rural Development ("the Department") initiated. I make common cause with much of what he has recorded in his statement.

- 6 There are additional matters, however, that I wish to highlight because of their importance. I also wish to give a report on the second meeting with Mr. Mosebenzi Zwane ("Mr. Zwane"), Mr. Peter Thabethe ("Mr. Thabethe") and other officials from the Department, because of the importance of what was communicated to us. Mr. Ncongwane did not attend that meeting due to prior commitments.

- 7 Mr. Zwane is well known to us, as he grew up, was educated, and worked within our broad locality. He has a home in the nearby town of Warden.

The First Meeting

- 8 At the first meeting with Mr. Zwane were the Mayor of Vrede, Mr. John Motaung, Mr. Thabethe, the Head of Department of Agriculture, Mr. Dume Kobeni from the local African National Congress office, the extension officer

attached to the Department in Vrede, Mr. Jimmy Mphahlele, and two other officials from the Department who are local residents of Vrede, namely Mr. Khuliza Sibeko (Mr. Sibeko”) and Ms. Thuto Kganye (“Ms. Kganye”).

9 Mr. Zwane told us that the government was looking for farmers with an interest in farming cattle (red meat), dairy, pigs, and poultry. I put my name down in the red meat farming category. That category had no support from government. I am aware that the poultry and piggery categories did, however, get support from the Department.

10 Mr. Ncongwane and 5 others placed their names on the dairy farming list. Not all the attendees at that meeting were farmers or knew something about farming, but a few of us did. As mid-level farmers, both Mr. Ncongwane and I had fairly substantial herds of cattle.

11 Prior to hearing that the dairy farm at Vrede would be established, Mr. Ncongwane had written to the Town Council to ask for land to establish a dairy farm. He was rebuffed, on the pretext that they did not understand the content of his letter. Less than a year later, we heard that a dairy farm was going to be established at Vrede. I thought that this was a rather strange coincidence.

The Second Meeting

12 After the first meeting with Mr. Zwane and his officials, a second meeting was convened in Thembalihle. I attended this meeting at which Mr.

Ncongwane was absent. Mr. Sibeko, who had taken down our names and contact details at the first meeting, had contacted us. Mr. Zwane again attended this meeting with the Mayor, Mr. Thabethe, Mr. Kganye and one Ms. Alta Meyer ("Ms. Meyer"). This meeting was also attended by beneficiaries from the Warden and Memel areas.

13 At this meeting we were given more details about the establishment of the dairy farm by the government. This farm was for the farmers in Vrede. We were told that we should sell our cattle and in response government would give each of us 10 head of dairy cows. When we asked where these cows would stay, we were told that the Mayor of Phumelela had issued the department with 4000 hectares of land where these cows would be kept. We saw this as progress for us farmers as government would be providing feed for these cows.

14 There were more than 100 people at this meeting. Mr. Zwane told us that beneficiaries would have 52% shareholding in the dairy farm, 20% of the revenue would go towards roads, bursaries for scholars, hospitals etc, and 28% would go to government. He told us not to sell our shares as these would be our legacy. He also told us that we would be taken to India for training.

15 Having heard these details from Mr. Zwane, our expectations for a better future increased.

The Third Meeting

- 16 In or about 2013 a third meeting, at which Ms. Meyer asked for our identity documents ("ID"), was convened. We had heard that Pretoria was demanding to know who the beneficiaries of the dairy project were, as money for the project had already been released.
- 17 Before the meeting commenced, I held a brief meeting with the farmers, advising them to refuse with our ID copies as funds had already been released without our full details being provided. The farmers did not heed to my advice and we went ahead to provide our details, including copies of our identity documents to Ms. Meyer, who asked us to sign certain forms and who told us about the rules of the project.

Imbizo at Frankfort

- 18 When I tried to raise the abovementioned issues at an imbizo that I attended at Frankfort where, among others, Minister Senzeni Zokwana, Mr. Thabethe and Lesedi Radio Station were in attendance, the Minister said that as I had called the people running the farm "Ma Gupta" he couldn't help me. Mr. Thabethe then said that he would sort things out. I am not aware of what Mr. Thabethe may have done to honour this undertaking.

The Fourth Meeting

- 19 A fourth meeting was convened in or about 2014. Ms. Meyer attended that meeting. She told us that she had been requested by the Office of the

Premier, Mr. Ace Magashule, to advise us that the dairy project was about to be taken over by the Free State Development Corporation ("FDC").

- 20 We asked for documents that demonstrated that we were beneficiaries, but were told that no questions would be entertained. We made it clear to her that we continued to be beneficiaries. I highlight that at this point in time though the farm was operating, none of us beneficiaries had been to the farm.

The Fifth Meeting

- 21 There was yet another meeting which was attended by the Premier, Mr. Ace Magashule and Mr. Zwane. We were not able to talk to either Mr. Magashule or Zwane who instead of meeting with us beneficiaries, conducted a site visit at the farm, and after that inspection, left Vrede.

Other Subsequent Meetings

- 22 We attended approximately three more meetings, one with MEC Ms. M Qabathe, where nothing of substance was discussed, and another with Chief Director Mr. Modiba. At the meeting with Mr. Modiba, no progress was made on our complaint about the dairy so I left that meeting. What angered me was that we had requested the meeting with Mr. Modiba but he took over the meeting without us being given an opportunity to state our complaints.

- 23 Dr. Tankisi J Masiteng (“Dr. Masiteng”) then came to Vrede to meet us, and was accompanied by Mr. Modiba. Dr. Masiteng told us that the dairy farm project had not started making any profit. We responded by asking if we were beneficiaries or not. His response was that if we had signed a certain form and produced our identity documents, then we were beneficiaries. When we asked why we had never had the opportunity to exercise our rights as 52% shareholders, they said that this was an error. I must report, though that as we were asking pertinent questions, municipal officials tried to deflect those questions.
- 24 The last meeting, I attended was the one with the Democratic Alliance’s Mr. Musi Maimane (“Mr. Maimane”). When he went to the farm, he fought for us to gain entry as well. The Warden beneficiaries were with us, but not the one’s from Memel.
- 25 I was very perturbed by the fact that, despite being invited by the provincial government to be part of this project, and taking the trouble to register as beneficiaries, we had been completely side-lined by the same provincial government. Even in relation to the sale of milk produced at the dairy farm, we as beneficiaries have had no role to play, nor have we reaped the profits of that enterprise.
- 26 I used to own a record shop on Prinsloo Street in Vrede. The dairy project brought milk to a shop next to us, owned by some people who are of Indian origin. They could not speak English or the local Sesotho languages. Some

of our local young men who worked at the dairy farm also sold milk produced at the dairy farm in the townships. In fact, not only milk but cattle feed that was intended for the dairy cows on the farm was sold in Vrede. We question whether any of these enterprises were legitimate.

- 27 The Committee we selected to interface with the government on all matters relating to the dairy project failed to report back to us on any developments. Having been promised training in India, we heard, instead, that Mr. Zwane had taken a choir he supported to India.

Conclusion

- 28 Two years ago we were called by Mr. Maimane to the office of the Public Protector to discuss the dairy farm project. She told us that she did not know that there were 80 beneficiaries of this project, and that she thought there were only 35. She undertook to send her people to take statements from us. She only returned to Vrede in May this year. The Warden beneficiaries were with us at the May 2019 meeting. The Memel beneficiaries were not present. I recall asking a question about the release of the report on the dairy farm, yet up to that point, neither the Public Protector or any of her officials had spoken to us, the beneficiaries.

- 29 We told the officials from the office of the Public Protector that the beneficiary list that that we were aware of had 82 names. We believe that some people's names were taken off the list. We don't know why their names were removed.

- 30 In closing, I reiterate that I still do not understand why we were not given land with which to establish our own dairy farm, as proposed by Mr. Ncongwane. The manner in which the government has handled this matter has led to unnecessary tension here in Vrede.
- 31 Today many of the beneficiaries fear for their lives because of intimidation by those who believe that they must protect Mr. Zwane. I personally have had to take precautionary measures when going about my business in town. This is completely untenable.
- 32 We believe that many of the dairy farms operations are still not being done according to proper processes and procedures. We doubt whether this project will ever be successful.

Dated and signed at Vrede on this 21 day of June 2019



EPHRAIM MAKHOSINI DHLAMINI