The background features a large, semi-transparent watermark of the Commission of Inquiry into State Capture logo. The logo is circular and contains the South African flag, a pair of scales of justice, and the text 'COMMISSION OF INQUIRY INTO STATE CAPTURE' around the perimeter.

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AFFIDAVIT & ANNEXURE

OF

DENNIS VICTOR

BLOEM

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AFFIDAVIT OF DENNIS VICTOR BLOEM

I, the undersigned,

DENNIS VICTOR BLOEM

declare under oath as follows:

Introduction

- 1.
- 1.1 I am an adult male. Since 2009 I am a serving member of the Congress of the People (COPE) party. I live in Pretoria. I am a South African Citizen.
- 1.2 I am married with children.
- 1.3 In 1994 as a member of the African National Congress (ANC) party, I went to Parliament and served in the Senate as it was called then. In 1996 the Senate changed to the National Council of Provinces (NCOP). I thereafter moved to the National Assembly. I served in Portfolio Committee (the Committee) on Correctional Services (PCCS) since 1994 and several other Portfolio Committees.
- 1.4 I was the Chairperson of the PCCS from 2004 to March 2009.
- 1.5 The facts contained herein fall within my own personal knowledge, unless the contrary appears from the contents hereof, and to the best of my belief are both true and correct.



2.

I have recently issued a press statement stating that I am prepared to testify at the State Capture Commission (SCC) in relation to the Bosasa contracts that were irregularly awarded by the DCS. During my tenure as Chairperson of the Committee, I have gained direct knowledge of the contracts that were awarded by DCS to Bosasa which the former Chief Operating Officer (COO) of Bosasa, Angelo Agrizzi has mentioned in his testimony.

It is prudent that I first provide a brief overview of the role of Portfolio Committees:

Portfolio Committees

- 2.1 The National Assembly (NA) appoints, from among its members, a number of Portfolio Committees to perform oversight of the work of the various national government departments.

The Role of Portfolio Committees

- 2.2 The portfolio committees consider Bills, deal with departmental budget votes, oversee the work of the departments they are responsible for and enquire and make recommendations about any aspect of the department, including its structure, functioning and policy. The work of Committees is not restricted to government. They may investigate any matter of public interest that falls within their area of responsibility. There is a Portfolio Committee for each national Ministry and its associated government department/s.



The Portfolio Committee on Correctional Services

- 2.3 The Portfolio Committee on Correctional Services oversees the activities of the Department of Correctional Services (DCS) and the Judicial Inspectorate of Prisons (JIOP) which is charged with monitoring the treatment of offenders in prison.
- 2.4 As a committee of the National Assembly (NA), the Committee comprised the following representatives from different political parties: Mr DV Bloem (Chairperson, ANC), Ms LS Chikunga(ANC), Mr MA Cele (ANC), Mr S Mahote (ANC), Ms W Ngwenya (ANC), Rev LJ Tolo (ANC), Inkosi ET Xolo (ANC), Mr J Selfe (DA), Ms S A Seaton (IFP), Mr H Cupido (ACDP) and Ms S Rajbally (MF).
- 2.5 This Committee had come to the end of its tenure in March 2009. A new incoming Committee was appointed to commence with its work in the 4th Parliament.

3.

During the period 2004 to 2009 the Committee, undertook 137 Committee meetings and 27 oversight visits. In addition, the Committee each year interrogated the DCS and the JIOP's annual reports and budgets.

4.

The Committee met on Tuesdays and on every other Friday, often to receive briefings by the DCS and other stakeholders on matters of concern and interest. In line with the Constitutional requirements the Committee convened public hearings to involve the public and receive public comment, when it had to consider legislation, annual reports or financial statements. Members of the Committee regularly



undertook their own visits to correctional centres, and the Committee, as long as its budget allowed, visited correctional centres, parole boards, and other sites that could assist in it performing its oversight function.

5.

Apart from certain challenges that I will be highlighting, the Committee has generally functioned very well in terms of oversight but also as far as the working relationship between Members from different political parties: despite their different political homes the Committee never politicised issues related to the DCS. Where there were differences, those differences were due to all Members' genuine concern for the DCS' well-being.

6.

Despite the Parliamentary Rules and Constitutional provisions that govern the Committee's oversight of the DCS it has at times been very difficult to obtain accurate information from its officials. Documentation for meetings is often received late, sometimes with insufficient and inaccurate information.

7.

7.1 The Committee's relationship with the entity and the department it oversees was generally very good. Unfortunately the relationship with the DCS' Executive Authority was less so. The extent of the breakdown in the relationship between the Committee and that authority is illustrated by the latter's neglect to inform the Committee of the re-deployment of the former National Commissioner in November 2008.

7.2 The Committee regrets that the DCS' Executive Authority had failed to inform the Committee of the redeployment of Mr V Petersen, let alone of



the reasons for such a re-deployment. Mr Petersen was an experienced and knowledgeable DCS official, well-respected as its Accounting Officer and was also widely perceived as a “corruption buster”. His sudden re-deployment, amid a very public struggle with Minister Mr. Ncgonde Balfour around administrative matters, came as a surprise to the Committee.

- 7.3 The DCS has received qualified audit reports every year since 2004. The lack of internal controls within the DCS was a persistent weakness and relates to record keeping mainly in the supply chain management process. Further weaknesses related to failure to implement Standing Committee On Public Accounts (SCOPA) resolutions, failure to correct weaknesses identified by the Auditor General (AG), and non-compliance with applicable legislation such as the Correctional Services Act, and the Public Finance Management Act (PFMA).

8.

Outsourcing of Services by DCS

- 8.1 The Committee has on a number of occasions voiced its reservations and objections regarding the outsourcing of services within the DCS as a result of concerns around cost effectiveness and necessity. There were other urgent priorities that required attention such as, amongst others, dealing with poor salaries of Correctional Services Personnel, overcrowding and dedicated juvenile facilities. The Committee was concerned about the contracts that were being awarded to Bosasa group of companies and consistently raised its objections during the numerous Committee meetings. Notwithstanding probing questions by the Committee around these contentious contracts and requesting the DCS to supply certain information, the Department ignored the request and the


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Portfolio Committee never received the answers to its questions.

8.2 The contentious contracts identified were:

8.2.1 Awarded in July 2004-Nutrition- catering and training contract;

8.2.2 Awarded in April 2005-Sondolo IT contract;

8.2.3 Awarded in March 2006-Television Distribution Contract

8.2.4 Awarded in Nov 2005-Fencing Contract for 47 DCS sites

8.3 The DCS response at one time had stated that in its attempts to enhance outcomes, particularly in the area of rehabilitation, nutrition and security, it has had to contract out a major part of its work. In that meeting then National Commissioner, Mr V Petersen, acknowledged that increased outsourcing increases the opportunity for corruption. The outsourcing of nutrition services has been of particular concern partly due to uncertainty as to its cost-effectiveness, but also due to uncertainty as to the awarding of the contract to Operations.

8.4 The DCS has since 2004 awarded tenders totalling more than R1 billion to BOSASA Operations and its subsidiaries. The catering tender to provide "catering and training services" at the Durban-Westville, Pollsmoor, St Albans, Johannesburg, Pretoria, Modderbee and Krugersdorp prisons, was originally awarded to the company in July 2004 at R240-million per year.

8.5 The contract expired in July 2007 and was extended for a further 12 months. In the 26 February 2008 meeting mentioned above, the National Commissioner, assured the Committee that the tender for the nutrition

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contract would be advertised before its expiry on 31 July 2008. Despite this assurance the contract was extended for a further 6 months until the finalisation of a new tender process chaired by Sibushini Moodley (CDC: Care and Development), and not Regional Commissioner Patrick Gillingham who had been closely linked to the extensions of the BOSASA contracts.

8.6 On 19 August 2008 the Committee held a meeting in which the nutritional contract was discussed extensively. The Department was requested to provide the Committee with specific information related to:

8.6.1 whether a feasibility study had been done to establish if outsourcing is the most cost-effective option. The Public Finance Management Act (PFMA) requires that such a feasibility study be done. If it had not been done in this case, the reasons why the PFMA was flouted had to be provided;

8.6.2 why and how the 7 correctional centres were selected; and

8.6.3 the role the regional commissioner, Patrick Gillingham, played in the process.

8.7 Despite the undertaking by the officials present on that day, the DCS never provided the information. Despite the Committee's concerns the DCS went ahead and awarded the tender to BOSASA Operations, the same company that held the contract previously. The finalisation of the process was never communicated to the Committee who learnt of the contract being awarded through the media. The Committee remained concerned with the manner in which the matter was handled.

8.8 This was the same type of narrative that the Committee received during



the presentations made to the Committee by National Commissioner Linda Mti and Patrick Gillingham in relation to all the Bosasa contracts that were proposed and subsequently awarded as mentioned in paragraph 8.2, notwithstanding the objections raised by the Committee against the awards and further contract extensions. No answers were ever forthcoming apart from assertions that the DCS will derive maximum benefit from such contract awards to Bosasa.

9.

Due to the lack of support from the National Commissioner Linda Mti and Patrick Gillingham, it was clear that the authority of the Committee was being usurped by the fact that decisions were unilaterally being taken by the DCS. I personally escalated my and the Committees concerns to the Standing Committee on Public Accounts (SCOPA) because they were also concerned about the outsourcing of certain contracts.

10.

I also raised the Committee's concern with Minister Mr. Ncgonde Balfour which fell on deaf ears. No matter my objections raised with him none of the contracts were ever terminated. It was clear that the National Commissioner Linda Mti was being protected by the Executive Authority.

11.

During 2004 and 2009 there were two burglaries in my office. My office was ransacked and only documents were removed. Also, when my tenure as chairperson ended in 2009 my office at the parliamentary precinct was burgled and cleaned out in totality. This included my personal belongings and all documents. The only items that were left in the office was the furniture. I reported the incident to the security and


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the police were informed. There has been no arrest or recovery of my belongings or documents.

12.

I suspect that my persistent vocal objections which I had been raising about the suspicious Bosasa contracts that were awarded by DCS had links to the burglary at my office to destroy any evidence I may have had in my possession.

13.

Angelo Agrizzi mentioned during his testimony that I had received a document from a group of people accusing me of my persistent attacks on Bosasa. His testimony is correct, as I did receive an anonymous letter where the author/s accused me of attacking Bosasa and promoting white capital. The letter also contained a lot of swearing directed at me and my family. The letter was amongst the documents stolen from my office during the burglary.

14.

One morning a committee member, Ms Winnie Ngwenya (ANC), came to my office. She said that she is being sent by the people of Bosasa to ask me to meet with them. She did not mention names. I asked her who these people were and she replied that it was the owners of Bosasa. I told her that I was not interested in meeting them. I was only doing my work as I can see that things were not right in the DCS department.

15.

Winnie replied and said "Chairperson, you are playing with your luck, you must see them." I again refused and said no. Winnie then responded and said, "Chairperson,

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this is money, [ke nyoko Chairperson] don't leave it." She then left and we did not discuss it again.

16.

Since Winnie had approached me and the explosive Angelo Agrizzi testimony at the SCC I realised why she was always so protective of Bosasa during the Committee meetings when I raised the Bosasa issues. She clearly showed bias towards Bosasa and had no real concern for DCS.

17.

When I was vocal and raised my objections against Bosasa, I also received numerous anonymous threatening phone calls. The callers would say that they know where I lived and that I was taking food out of the mouths of all the workers at Bosasa and Sondolo. I tried my level best to keep it away from my wife and my family as it would have negatively affected them . Unfortunately, one day I received a call from a private number. I was with my wife and the caller was again threatening and swearing at me. This person told me that they are on their way to finish me. My response was that: please come. I am ready for you. The person then dropped the phone. My wife then asked me why I was shouting over the phone. I then told her what happened. It is now important that I mention it after I had discussed this with my wife and family as these unscrupulous people will go to extreme lengths to achieve their nefarious aims.


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18.

I must also add that when I was very vocal during the Committee meetings raising serious concerns about the Bosasa matters, I was called on numerous occasions by the ANC caucus Chief Whip in Parliament. He reprimanded and warned me for my utterances and told me to behave and stop fighting with the Minister Balfour and the DCS.

I am making a personal plea to the Commission to investigate the circumstances under which the late Vernon Peterson (former DCS Commissioner) died. It is my belief that his death was not natural. With all these revelations coming to the fore, it is possible that his death was orchestrated especially because he was determined to root out corruption in the DCS. By investigating this matter, I am sure that, his family and friends will also receive closure knowing what exactly caused his death.

19.

In Closing

- 19.1 I want to say that the reason that I have decided to testify at the State Capture Commission is that I want to see all those people who have made themselves guilty of corruption involving state capture go to jail.
- 19.2 President Nelson Mandela and many other leaders spent years in prison and some spent years in exile to fight for our freedom. They were not fighting for people to steal tax payers' hard earned money. I, myself spent time in prison. We never once said or even alluded to the fact that when the day comes for the people of South Africa to be free we will start enriching ourselves. Never!

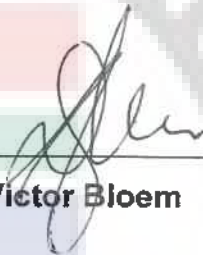


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19.3 That is why I am pleading with the Commission to leave no stone unturned and to rid South Africa of this corruption. May I also plead with people who have information to come forward with it. The Commission is here to save the country from the scourge of corruption.

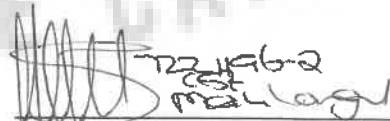
20.

I know and understand the contents of the above statement;
I have no objection in taking the prescribed oath; and
I consider the prescribed oath as binding on my conscience.



Dennis Victor Bloem

THUS SIGNED AND SWORN TO before me at Garsfontein on this the 30 day of January 2019 by the deponent who acknowledges that he knows and understands the contents of this affidavit; that it is the truth to the best of his knowledge and belief and that he has no objection to taking the prescribed oath and regards the same as binding on the deponent's conscience and the administration of the oath complied with the Regulations contained in Government Gazette No. R1258 of 21 July 1972, as amended.



COMMISSIONER OF OATHS

EX OFFICIO: Constable
FULL NAMES: Sesana Palesa Mahlaga
PHYSICAL ADDRESS: 277 Johnny Claassens Street
DESIGNATION: Garsfontein

