

Secret

Maj Gen Hankel

- A. Inspector General of Intelligence
Republic of South Africa
- B. The Deputy National commissioner
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South African Police Service

REPORT TO THE INSPECTOR GENERAL OF INTELLIGENCE ON THE MATTER OF ALLEGED MAL-ADMINISTRATION AND CRIMES COMMITTED IN RESPECT OF THE SECRET SERVICES ACCOUNT (SSA) OF THE CRIME INTELLIGENCE DIVISION OF THE SOUTH AFRICAN POLICE SERVICE

- A 1. Appended hereto and pursuant to our briefing to your good self on 31 October 2011, kindly find attached a report related to **ALLEGED MALADMINISTRATION AND CRIMES COMMITTED IN RESPECT OF THE SECRET SERVICES ACCOUNT (SSA) OF THE CRIME INTELLIGENCE DIVISION OF THE SOUTH AFRICAN POLICE SERVICE.**

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- B-C 1. For your information

MAJOR GENERAL
ACTING DIVISIONAL COMMISSIONER: CRIME INTELLIGENCE
(Dr) CP DE KOCK
Date: 2011 – 11 – 04

SECRET

SA Police Service: Crime Intelligence Division

REPORT TO THE INSPECTOR GENERAL OF INTELLIGENCE ON THE MATTER OF ALLEGED MALADMINISTRATION AND CRIMES COMMITTED IN RESPECT OF THE SECRET SERVICES ACCOUNT (SSA) OF THE CRIME INTELLIGENCE DIVISION OF THE SOUTH AFRICAN POLICE SERVICE

Introduction

1. This report is hereby submitted pursuant to the comprehensive verbal briefing provided to the Inspector-General of Intelligence on this matter on 2011-10-31
2. The report is based on the interaction and insight into the Hawks case of corruption and fraud as well as personal insight into various documents requested by the Hawks of which some have been handed over to the Hawks pursuant to a search warrant, while others are being safeguarded as evidence in possible criminal or departmental investigations. The report is further based on information provided by, and discussions with certain sensitively placed officers of Crime Intelligence, an investigation report compiled by the Hawks, as well as information under oath.
3. It serves as official written notification to the Inspector-General in relation to crime, mal-administration and nepotism that has come to the attention of the acting Divisional Commissioner : Crime Intelligence upon continuous briefings by Major General M Hankel who is the General Officer mandated and tasked by the acting Divisional Commissioner: Crime intelligence to serve as interlocutor between the Division and the Hawks investigation team investigating cases of murder, corruption and fraud. (Vosloorus CAS 30/02/1999 and Silverton CAS 155/07/2011.)

Background – The Mdluli investigation

4. The Silverton CAS 155/07/2011 (fraud and corruption) was registered after investigation into the murder case against Lt Gen RN Mdluli exposed fraud and corruption involving the selling by a BMW dealer of a private BMW belonging to Lt Gen Mdluli. This is related to the shortfall in the settlement fee on the finance from the said vehicle being paid through a second dealer with whom Crime Intelligence does business and from whom Lt Gen Mdluli purchased a vehicle. It also relates to the purchase of two BMW's from the BMW dealer on which so-called trade assist incentives from BMW South Africa allegedly further influenced the re-sale price on Lt Gen Mdluli's private BMW. This benefitted Lt Gen Mdluli to the amount of approximately R95 000. Col Barnard derived no benefit from these transactions but signed a contract purporting to be RN Mdluli. The prosecution however contend that the two BMW's would not otherwise have been purchased if it was not to be used to offset the shortfall on the settlement amount of Lt Gen Mdluli's private BMW. In reality both BMW's purchased were then allocated with the one (5 Series) going to Lt Gen Mdluli for his personal use and the other (3 Series) going to his wife (Col T Lyons) in Cape town. (Both Lt Gen Mdluli and Col Barnard, have appeared in court, albeit separately, on the mentioned charges and were granted bail.)

5. The Hawks investigation initially targeted the following issues for which they also applied for and were granted a search warrant for two covert Crime Intelligence premises to seize documents related to the following:

5.1. The transactions as reflected in Par 4 supra.

(For this purpose all the procurement documents and other claims including log books were sought and provided for the two BMWs as well as a statement explaining the application, motivation, approval and procurement process for covert vehicles.)

- 5.2. **The appointment/promotion of his current wife, her brother and other members of her family, his ex-wife, her daughter and his son, as well as two “girlfriends” in the Eastern Cape.** With the exception of the latter two, the investigation also targets their placement in the Agent Program of Crime Intelligence, as well as their current deployment and daily work and productivity. Furthermore the investigation team of the Hawks is looking at all salary claims, advances and operational claims submitted by the handlers of the members who were, what is referred to as “Principal Agents” in the program. Of particular interest to the investigation team is their utilisation of covert vehicles

(For this purpose all the procurement documents and other claims including log books were sought for all vehicles utilised / issued to the members mentioned. Furthermore all appointment and promotion documents as well as salary claims, advances and operational claims were sought and that which could be found were provided)

- 5.3. **The alleged abuse of covert vehicles by Lt Gen Mdluli, who it is alleged was not entitled to the use of such vehicles in the way he did.** In this regard various vehicles were identified at his two properties. Specific focus is being given to BMWs, a Jeep Cherokee SRT8, two E-Class Mercedes Benzes, a Lexus. The investigation includes such specifics as his use thereof while on vacation and the fact that the logbooks were not completed properly.

(For this purpose all the procurement documents and other claims including log books were sought for all the vehicles utilised by Lt Gen Mdluli, including an open fund Audi Q7 which was his official chauffeured SAPS vehicle. The authority for Lt Gen Mdluli to utilise covert vehicles, which can only be approved by the National Commissioner, was also sought but could not be traced and therefore was not provided)

- 5.4. **An overseas trip to Singapore at the end of 2009 for purposes of viewing and purchasing technical equipment for Crime Intelligence.** The trip was undertaken on authority of a memorandum approved by the Minister. The memorandum however only included the names of Lt Gen Mdluli, Maj Gen Lazarus, Col Barnard, [redacted]. Of note to the investigation team was the fact that the spouses of Lt Gen Mdluli (T Lyons) and Maj Gen Lazarus and Col Barnard accompanied them on the trip. It is evident that Maj Gen Lazarus and Col Barnard financed their spouses trip costs, but that of Col Lyons (who was not a member of the SAPS at the time) as well as two other Crime Intelligence officers namely Col [Redacted] and Lt Col [redacted] was funded totally from the Secret Service Account.

(For this purpose the memorandum and open fund claims as well as all SSA claims in respect of the journey was sought and provided. One item however outstanding is the approved memorandum granting members flying on SSA expense the authority to undertake a foreign journey, which can only be approved by the Divisional Commissioner: Crime Intelligence (Lt Gen Mdluli at that time).

5.5. In addition to the above the following was sought but not provided:

- 5.5.1. All company records and minutes of meetings of the Directors of the main frontal company [Reacted]. These apparently, according to Major General Lazarus, do not exist as the institution is a company in name only and does not function in terms of the Companies Act but rather the PFMA.
- 5.5.2. All transactions/payments made to a motor repair firm in Boksburg, for the period 2009 to 2011 (to date) financial years. (This request apparently emanates from the fact that at least 3 of the 12 vehicles relevant to the investigation had repairs done at the firm, which on face value does not appear to the investigation team to being reputable or a real going concern.) **This request was not entertained due to the fact that Crime Intelligence has been doing business with the firm since 1998, that it provides a valuable service and that providing the information sought, will undoubtedly compromise Crime Intelligence operations, assets and agents not related to the investigation.** (It would however appear on the face value of documents attached to claims that false invoicing could have occurred, which would by a way of generating/submitting false claims against the Secret Services Account. There also exists sufficient grounds to believe that an inappropriate arrangement exists where the owner of the firm is favoured in the "closed tender process" where covert vehicles that need to be sold are auctioned. (Further links to this firm will be covered later in this report.)

New Revelations

6. The investigation related to Lt Gen Mdluli as mentioned above, required certain documentation, as indicated above to be handed over. It is based on this, as well as events and information emanating therefrom, that the following can be reported:

Interference and Intimidation

- 6.1. During the investigation certain officers were interviewed by the Hawks, to explain certain aspects of documents. One of these officers, after two days of explaining the content of financial and other non-intelligence content documents decided out of his own accord on the third day to reveal the extent of crime that is occurring in the SSA environment. On the day of the revelations in question he took a colleague of his into his confidence and admitted that he had provided incriminating information to the Hawks. That evening and the following morning he was subjected to intimidating behaviour by some of his colleagues (incidentally the same who are implicated in the wider criminal activities.) This behaviour included trespassing on his property, being driven around in a vehicle, being taken to the home of a Major General, and being taken to the office of the same Major General all against his will. This officer is now in the Witness Protection Program.
- 6.2. Every time that certain officers are called by Major General Hankel to hand over documents or explain some or other detail, they are confronted by their Major General and requested to reveal what was asked. It is however also acknowledged that many of the officers are loyal and follow a reporting ethic. The latter however occurred despite the express instruction by Major General Hankel not to do so, as it could later be construed to being tantamount to defeating the ends of justice. The component Head in more than one instance, instructed the same subordinates not to co-operate with the investigation. It is also known that attempts have been made to tamper with or influence evidence.

6.3. In addition to the above the investigation team as well as Major General Hankel have been subjected to attempts to interfere with the course of the investigation as well as the authorised process of facilitation of support and access from within Crime Intelligence, by various parties. There exists a concerted effort from within Crime Intelligence and specifically the SSA environment to derail the investigation. This includes the spreading of dis-information. The situation includes what is believed to be a threat to the lives and personal safety and integrity of persons involved in the investigation of this matter including those supporting the investigation. There is also a risk to witnesses in this matter, which is evident by the transfer of a witness from Crime Intelligence into the Witness Protection Program.

Abuse of the Agent Program

6.4. It is evident that besides for the employment, inappropriate promotion (some at senior officer rank levels) and placing of family members of Lt Gen Mdluli in the Agent Program of Crime Intelligence, family members of a Major General and Colonel in the Division, as well as that of a prominent person recruited to allegedly influence the National Commissioner of the SA Police in favour of Crime Intelligence were placed in the program. It would also appear that even the bodyguard of the prominent Kwazulu Natal person is in the program. In total approximately 23 persons that fall in the above category are deployed as "Principal Agents" in the program. As far as can be ascertained, none of these are actually involved in bona fide undercover operations in pursuance of the operational objectives of the SA Police Service Crime Intelligence Division. Furthermore no production or activity reports are generated in respect of these individuals. It is alleged that especially the family members of the prominent person in Kwazulu Natal go about their "normal private lives" with no benefit to the SA Police Service. They were allegedly employed as a favour or as part of a pay-off to the prominent person, in return for consultancy services rendered to Crime Intelligence in respect of the National Commissioner.

Salary Advances

6.5. In respect of the salaries paid to the family of Lt Gen Mdluli through the Agent Program administration process, it is evident advances were paid to the members in anticipation of their impending promotions. In some cases these advances were recovered, while in others they are still outstanding. The most significant of the latter is that of Lt Gen Mdluli's ex-wife who, although at the rank level of a Public Service Act clerk, was advanced a cash amount to bring her net monthly salary closer to that of a Colonel, which rank Lt Gen Mdluli had instructed she would be promoted to but which Maj Gen Lazarus never complied with. This fact was however never or not adequately communicated to the Agent Program office.

Airline Tickets

6.6. A travel agent in Westville, Durban was tasked with the duty of providing a travel office service to the SSA environment ostensibly to provide a covert air travel service. This arrangement was discovered when Lt Gen Mdluli's journeys were analysed. Upon investigation and after the execution of a search warrant in Westville, Durban, a debtors ledger which included details of ticket numbers and passenger names was obtained. The following determinations were made. An attempt was made to reconstruct and manipulate statements after certain officers were confronted in Pretoria for assistance in obtaining lists. No agents of consequence utilised the service, but rather it was abused by a small group of

persons. Principal Agents, many of them appointed and promoted in the same covert promotion process as Lt Gen Mdluli's family, three Major General's in Crime Intelligence and their families to various extent, with one travelling on no less than forty occasions, Lt Gen Mdluli and his family travelled on more than 50 occasions while the prominent person in Kwazulu Natal and his family, not limited to those in the agent program, travelled on more than 50 occasions. Records indicate that one of the Crime Intelligence Major Generals flew on at least one occasion (to Mauritius) with his wife for a 9 day holiday. He contributed to approximately half of the cost of the expenses while the rest was covered by a credit due to the SSA. Of specific concern in regard to the airline tickets, is that no evidence exists or could be presented indicating an application and authorisation process for each ticket. The reconciliation of the actual tickets, names and account statement was also not possible, with feeble attempts being made to link a name to an amount. The system was so open to abuse that investigation and a deposition under oath indicates that even the travel agent and his sister, as well as some clients (not SAPS) he wished to appease for poor service either flew at the expense of Crime intelligence or on credits due to the Crime Intelligence account.

Covert Vehicles

- 6.7. The purchase of vehicles and the false or totally inadequate motivation for the procurement of vehicles also came to light and paints a disturbing picture of no policy or a cavalier approach or non-compliance with existing (inadequate) policy. Documentation at hand clearly indicates the use of non-related operational motivations to purchase vehicles for the persons previously mentioned. In some cases vehicles were ostensibly purchased for a particular operation, but never deployed therefor. In other cases a 7 line three paragraph pro-forma application/motivation was utilised.
- 6.8. A luxury vehicle was purchased for a Lieutenant General in another Division of the SA Police Service in order to improve the working relationship between herself and Lt Gen Mdluli. The vehicle is registered in her name on e-natis, although she has never been in Crime Intelligence. The precise whereabouts of this vehicle is currently unknown. Not long after the vehicle was provided the Lieutenant General, in question had a burglary at her residence. Additional security measures to the amount of approximately R40 000 was then effected at her residence at the expense of the SSA.
- 6.9. According to information under oath and supporting documentation another luxury vehicle of the same type as the one above was purchased for the National Commissioner for use around his residence in Kwazulu Natal. The current whereabouts of the vehicle is unknown.
- 6.10. Another vehicle, namely a Lexus, has been parked since March 2011, unused in the garage of a safe house used by Lt Gen Mdluli in Gauteng. This vehicle was purchased on his instruction, as he was not satisfied with the Jeep Cherokee SRT-8 which he was using at the time. The Lexus will be recovered within the next few days.

Premises/Safe Houses

- 6.11. Various covert premises / safe houses were rented for the exclusive use of Lt Gen Mdluli and his family. One was rented ostensibly for him to use for strategic meetings with his component heads. No such meetings however occurred there, instead he utilised it to

house his Cape Town family (second wife and two children). They would fly up to Johannesburg and reside in the house. (The Lexus is currently “hidden” at these premises).

- 6.12. A property in Gordons Bay, belonging to Lt Gen Mdluli was rented by Crime Intelligence, but only used by him. A possibility that still needs to be confirmed exists that during the time that Crime Intelligence was hiring the property, other tenants were also hiring it from him. Rental paid for this property was drawn and paid to Lt Gen Mdluli in cash although on many occasions it was used to settle an outstanding advance a junior member had drawn for him previously.
- 6.13. A property in Rondebosch, Cape Town belonging to a former Divisional Commissioner of Crime Intelligence, was also rented as a safe house, although at the time it was allegedly utilised by his son who was studying at the University of Cape Town. As far as can be ascertained the son has never been a member of the SA Police Service. Rental paid for this property was drawn and paid to the former Divisional Commissioner in cash.
- 6.14. A property in the Bruma area (Johannesburg), utilised for the purposes of an covert Crime Intelligence office, is being rented from the wife of the commander (a Colonel) of the unit.
- 6.15. A residential property in Boksburg is being rented as a safe house from the daughter of the owner of the motor repair firm mentioned in paragraph 5.5.2 *supra*. This property was utilised inter alia to house Crime Intelligence members as a residence, was allegedly also the hiding place of Lt Gen Mdluli while he was effectively a fugitive from justice just prior to his arrest for murder and most recently has been utilised to house the girlfriend of the prominent individual in Kwazulu Natal, who flies to Johannesburg at the expense of Crime Intelligence to spend time with the girlfriend. The girlfriend was employed as a clerk in the covert appointment process.
- 6.16. All the properties mentioned above except the one referred to in paragraph 6.15 *supra* were hired through a property brokerage belonging to the friend of a Major General in the covert environment. This was clearly done to hide the true ownership thereof from oversight structures. The motivations rendered therefor are in many cases patently false.
- 6.17. At least two properties hired in Gauteng are done so at an inflated cost, with the arrangement that at the end of every 12 month period, an amount of R24 000 per property is remitted to a Major General and a Lieutenant Colonel, who are intended to pocket the money equally between them. This however rarely happened as the monies were rather used to settle advances already taken for private purposes, including advances taken to satisfy the regular demand for cash from Lt Gen Mdluli. (This aspect will be further elaborated upon later in this report.)
- 6.18. It is alleged that while the private residence of a Major General was renovated a few years ago, (an amount of R150 000 was utilised from the SSA to contribute to the renovation) he and his family resided in a residence hired by Crime Intelligence as a safe

house. This residence was extensively furnished at the expense of the SSA. On return to his own residence, the furniture and appliances in the vacated safe house was distributed amongst himself, a Colonel and a Lt Colonel in his office for use in their private residences. It should be noted that to date no documentation supporting this information has been discovered although it would appear as if some files relating to premises have been tampered with while other are incomplete. Properties have been rented through lease agreements without any indication of an application, motivation or signed approval.

6.19. Crime Intelligence has exclusive use of a property on the coast of northern Kwazulu Natal. It is situated on the beach, and is known as [redacted]. This property is regularly utilised for family holidays and weekend getaways by a Crime Intelligence Major General, his friends, colleagues and certain service providers. It would appear that all expenses occurred for the above, including the family breaks, are paid for from the SSA.

6.20. It is alleged that at least two covert premises paid from SSA funds in Kwazulu Natal, exist on paper only. Funds allegedly spent for rental are pocketed by Crime Intelligence members. It is also alleged that renovations to the private residence of a Major General attached to Crime Intelligence in Kwazulu Natal was funded from the SAA.

Cash Advances, Roll-overs and False Claims

6.21. A situation exists within a small group of members within the Covert Intelligence Support environment, with the knowledge and active participation of a Major General, of generating cash advances to finance personal needs. Lt Gen Mdluli had a constant need for cash while the prominent person in Kwazulu Natal is also extremely demanding in that regard. Cash was readily available on this basis, and was disbursed amongst the group and Mdluli. A problem however always arose when the advances had to be settled. This normally resulted in a need for false invoices and receipts. This normally was alleviated by asking service providers for invoices for services that were never rendered and thus did not have to be paid. Evidence exists, both documentary and under oath, of even the travel agent in Westville generating three such invoices for Crime Intelligence. On occasions when false invoices or false receipts could not be accumulated quickly enough, a different member would take an advance and hand the cash to the other to settle his. This "roll-over" process is a regular occurrence. The officer currently in Witness Protection has a significant advance of this nature outstanding against his name. The money from this advance was paid over to the prominent individual in Kwazulu Natal. By all accounts this individual was paid regular amounts of R50 000 in this manner.

Payment of Journalists

6.22. It is alleged that an amount of R100 000 was paid to a journalist (identity unknown) to write a positive story in respect of the police. It is further alleged that another journalist (identity unknown) was paid an amount of R50 000 not to publish a story that would have been extremely prejudicial to a very senior female General in the SA Police Service.

Political Intelligence / Influence

- 6.23. Documentary evidence is available from which it would appear as if Crime Intelligence sought to influence political processes in Kwazulu Natal, through the deployment of a select few covert intelligence field workers from the component Covert Intelligence Support at Head Office. This activity included buying influence and access. Furthermore information has been received but has yet to be followed up that a particular member of Crime Intelligence in Kwazulu Natal may be able to shed light on the origin of the so called "Mdluli Ground Coverage report." Needless to say, if these allegations prove to be true, Crime Intelligence is acting outside its mandate as provided for in the National Strategic Intelligence Act, No 39 of 1994, as the mandate of the SA Police Service is limited to the gathering, evaluation, etc of crime intelligence. This is also in contravention of the provisions of Section 46(1)(d) of the SA Police Service Act, No 68 of 1995, which provides that no member of the SA Police Service shall "in any (other) manner further or prejudice party-political interests.

Impact on and exposure of Crime Intelligence

7. It has been asked what the extent of the impact of the investigation would be on Crime Intelligence. It has similarly been claimed that at least 400 covert vehicles have now been compromised and would need to be replaced. In response to the above it is acknowledged that a risk to Crime Intelligence as an institution does exist. Furthermore the potential does exist that frontal institutions, covert methodology and even sources of information can be exposed. This risk is by no means an absolute one and can be mitigated without stopping or interfering with the investigation by adopting a process of consultation with Crime Intelligence. Serious crime has been committed, which can be prosecuted on an individual case basis without compromising bona fide operations. At this stage no covert vehicles have been compromised by the investigation team, as the knowledge thereof is within a specialised unit of the Hawks that are also subject to secrecy and integrity provisions. Knowledge and exposure is currently strictly controlled, although this situation may change if or when the matter actually goes to court. **Ironically the biggest threat in terms of exposure lies within the group who have perpetrated the activities mentioned. They have placed the entire institution including the agent program, covert air travel, vehicles, service providers and even operations at risk by abusing the system and exposing it to individuals of dubious character. At this stage as a result of the abuse/criminal conduct by individuals within Crime Intelligence, approximately 40 covert vehicles are potentially or definitely exposed and will have to be sold.**

Auditor-General

8. A senior delegation from the Auditor General was fully briefed on the situation. They have undertaken to assist the investigation team on the immediate criminal investigation and will also assist Crime Intelligence management on matters related to good governance.

Way Forward

9. Pursuant to a meeting between the Crime Intelligence Division and the Hawks, the briefing to the Inspector General of Intelligence and discussions with Lt Gen SG Lebeya, it is acknowledged that the current investigation cannot proceed *ad infinitum*. It is similarly accepted that all the allegations and incidences of crime have to be investigated in a court-directed manner. Once the investigation is concluded, the prosecuting authority can take an informed decision on the best way to proceed from there, taking all factors, including intelligence sensitivities, into account. The Hawks have already indicated that they would prefer to limit their currently investigation to Mdluli and that which is immediately associated thereto. In fact, it includes a significant portion of what is mentioned above that which they do not cover will have to be investigated within Crime Intelligence with assistance from the Hawks or Detective Service. It needs to be re-emphasised that only material / documents related to the Mdluli matter and subsequent associations have been handed over to the Hawks.

Legal Position

10. The author of this report and other senior managers who bear knowledge of this matter find themselves in an extremely difficult position. On the one hand there is the sensitivity and secrecy of methodology and covert institutions and operations that must be maintained, whilst on the other hand there is a constitutional duty on the SA Police Service to prevent, combat and investigate crime.
11. According to Section 34(1) of the Prevention and Combating of Corrupt Activities Act, No 12 of 2004, a person in a position of authority, (Public Officer on an SMS level) who knows or ought reasonably to have known or who suspects that any other person has committed corruption (irrespective of the amount involved) or theft, fraud, extortion, forgery or uttering of a forged document involving an amount of R100 000 or more, must report such knowledge or suspicion or cause such knowledge or suspicion to be reported to any police official. Failure by a person in a position of authority to report these offences constitutes a criminal offence in terms of section 34(2) of the act.
12. The National Commissioner of the SA Police Service issued directions for the Service in Government Gazette 26552 of 16 July 2004. According to these directions any police official who receives a section 34(1) report, must inter alia submit the same to the Head of the commercial Branch, Head Office. This office is currently situated within the Hawks.

13. Similarly as intelligence officers, Crime Intelligence has an obligation to report intelligence failures to the Inspector General of Intelligence. According to Section 7(7)(cA) of the Intelligence Services Oversight Act, No 40 of 1994, the functions of the Inspector-General of Intelligence include the receiving and investigation of complaints regarding mal-administration, abuse, etc as well as the offences created by the Prevention and Combating of Corrupt Activities Act, No 12 of 2004. It is submitted that the Intelligence Services Oversight Act does not negate the statutory duty to report corruption to the police for purposes of criminal investigation.
14. **Although certain matters clearly need to be more thoroughly investigated, knowledge of issues that are not in doubt clearly requires the Division to report to the Inspector General of Intelligence that a significant intelligence failure has occurred.**

Conclusion

15. It cannot be disputed, based on what has now been discovered, that significant irregularities have occurred around the tenure of Lt Gen Mdluli as the Divisional Commissioner of Crime Intelligence, and even during the tenure of then Asst Comm MN Mphego. It is in the interest of Crime Intelligence, its credibility and its integrity to ensure that no criminal or corrupt practices occur, but simultaneously holds the view that any investigation into the same should be done in a manner that would not do the institution further harm. Crime cannot be allowed to be hidden behind secrecy but the consequences of an investigation thereof must be proportional to its objectives.
16. The Division would also be in remiss of its obligations to its responsibilities if it was also not stated that by the very nature of intelligence and its trade craft, methodology and “backstopping” processes, certain events, practices or processes that may appear to the uninformed eye to being irregular or criminal may just be quite the opposite and could be explained or contextualised in the course of the execution of its covert mandate. Once again even here a distinction is made and accepted regarding what is legal and illegal with the latter, if justified and acceptable being covered by Section 252A authority. (Section 252A of the Criminal Procedure Act, No 51 of 1977, authorising law enforcement officers to make use of traps and undercover operations in order to detect, investigate, uncover and prevent criminal offences). However based on what has now been discovered and carried in this report, the above argument does not stand the test of this reasoning.
17. It goes without saying, that the extent of the criminal activity and mal-administration in respect of the SSA, has serious implications, not only for the Division Crime Intelligence of the SA Police Service, but for the country as a whole. It is imperative that the SA Government is seen to act now on this matter rather than later, bearing in mind that an interdict obtained by the SA Police Service, against the Independent Newspaper Group in 2010, which prevented an article being published that contained facts that have now come

to light, is going on review. It is furthermore submitted that decisive action is immediately required before the facts of this investigation becomes public knowledge.

MAJOR GENERAL
HEAD: INTELLIGENCE ANALYSIS, CO-ORDINATION AND SURVEILLANCE
M HANKEL
Date: 2011/11/04

MAJOR GENERAL
ACTING DIVISIONAL COMMISSONER: CRIME INTELLIGENCE
CP DE KOCK

Date: 2011/11/04

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