

# Exposed: Zuma 'bodyguard' was link man in international fishing conspiracy

*Noseweek's Susan Puren dives deep into the WikiLeaks Fishrot Files*

**I**N MAY 2014 JACOB ZUMA APPOINTED Senzeni Zokwana as Minister of Agriculture, Forestry and Fisheries. But by July 2016 Zokwana and his department were faced with a court application to interdict them from fishing an exploratory permit worth between R80 million and R120m per year, renewable for up to 15 years. Until now nobody connected the dots, except maybe the man who later became the whistleblower in Namibia's Fishrot scandal.

The fishing industry is a murky business, a commonly connected mob that is littered with rogue operators, professional conmen and full-blown crooks. But to categorise them strictly along those lines or pick out the honest ones among them is a difficult exercise that depends on who you speak to or how you interpret the confidential emails that WikiLeaks splashed across the internet on Tuesday 12 November last year.

Much has since been written about the WikiLeaks Fishrot Files that

exposed corrupt politicians and officials in Namibia's fishing industry. In return for lucrative fishing rights in their country they received close to \$10m (R147m) in bribes from the Icelandic fishing conglomerate Samherji.

Two government ministers in Namibia resigned and are awaiting trial, together with another seven senior officials who were also caught with their hands in the cookie jar. In Iceland, Samherji's CEO has stepped down while the whistleblower, Icelandic citizen Jóhannes Stefánsson, is in hiding, fearing for his life.

But Samherji also actively tried to get into South Africa's fishing waters, wining and dining politicians and officials during secretive meetings as far back as 2014. It is all there to see in the WikiLeaks tranche of more than 30,000 leaked emails and confidential documents online. As many as 1,210 of these deal with an elaborate plan to capture a huge chunk of South Africa's fishing industry, specifically

horse mackerel, which earns in excess of R1.4 billion per annum. The tale unfolds mostly in emails written in 2016 between Stefánsson and Allie Baderoen. At the time Stefánsson was still Samherji's front man in Namibia, where he had bribed politicians and officials for many years.

Baderoen, a Cape Town businessman, was steering negotiations on behalf of a South African company called Global Pact Trading 193 (Pty) Ltd which controversially received an experimental fishing permit for horse mackerel from South Africa's Department of Agriculture, Forestry and Fisheries (DAFF) in December 2015. Global Pact obtained the permit, ostensibly by promoting the idea that horse mackerel was a cheap source of protein that could feed the poor. This, Global claimed, was not happening because the big players in the fishing industry do not bring their catch to our shores. Instead, tonnes of fish are block-frozen at sea, transshipped and exported to countries such as Angola, Zambia and the DRC without creating a single job on South African soil.

After unsuccessfully lobbying the suits at DAFF for several years, a permit was finally issued under the watch of the department's then minister Senzeni Zokwana. Granted under section 83 of the SA Marine Living Resources Act, which allows the minister to determine and authorise any scientific investigation or practical experiment, the permit allocated a massive 8,000 tonnes of the oily fish per annum to Global Pact, but without even mentioning details of the required experiment in the official permit conditions.

The quota was worth between R80m-R120m and, with the stroke of Zokwana's proverbial pen, this new entrant to the industry sneaked in through the transformation back door to become the second-largest horse mackerel rights holder in South Africa, without having to go through



**Workers prepare fish**

the application processes imposed on all other applicants. The permit also uniquely entitled Global Pact to fish on the West and South coasts of South Africa at any time they chose.

This raised eyebrows throughout the fishing industry. The South African Deep Sea Trawling Industry Association (Sadstia) and 21 other entities launched an appeal, saying such an allocation to a newcomer was unheard of and in conflict with the fishing capacity management regime, which was developed and implemented by the very same department that had granted Global Pact's so-called experimental permit.

Furthermore it was reported in the media that the horse mackerel sector was placed on the watchlist in 2015 as being potentially under threat. Due to the decline, only 12,433 tonnes of the 58,000-tonne allowable catch were fished in 2015. This resulted in the species being downgraded to "Orange" status on the South African Sustainable Seafood Initiative (Sassi) list compiled by the World Wildlife Fund (WWF).

None of this seemed to be a stumbling block for Baderoen and the people behind Global Pact who continued with negotiations to sell the allocation to Samherji, a foreign company with a foreign-registered vessel and no plans to feed or uplift South Africa's poor.

Stefánsson's emails show that he was very excited about the planned deal and was assured that the permit would be extended to ten or 15 years after the initial 12-month period.

But he must have realised that Global Pact's windfall was not above suspicion, because a few days later he sent an email with a copy of the permit and its conditions to Edmund Greiner, the lead maritime litigation specialist at Cape Town law firm Shepstone & Wylie, asking for legal advice about the negotiations with Global Pact.

"They have a very strong political backup and we have a common friend in Namibia," Stefánsson wrote. "We know they have a strong political backup, as nobody has what they received; the 8,000 tonnes of horse mackerel quota where you can also catch on the West Coast."

*Noseweek* asked Greiner what he understood when Stefánsson said Global Pact had a strong political backup? He responded that he was instructed on behalf of the Icelandic



Jóhannes Stefánsson, Unknown with glasses, Allie Baderoen, Senzeni Zokwana, Siphokazi Ndudane, Unknown, Samherji official, James Booi, Fryman Baatjies

## Some scaly fish in the murky waters

**JAMES BOOI** MADE THE HEADLINES IN 2018 when Chaile Seretse, the CEO of an abalone processing company in Gansbaai, deposed an affidavit at the Lyttelton Police Station claiming that Booi, Fryman Baatjies and Siphokazi Ndudane stole money that was intended to bribe former president Jacob Zuma. Like Booi, Baatjies was a director of Global Pact Trading 193.

**Senzeni Zokwana** was about to be removed from the Cabinet and the money was to prevent Zuma from doing that. *City Press* reported that the reason the three of them wanted Zokwana to keep his job was because the minister's transformation agenda was going to be implemented through them. It was claimed that R30 million would make its way to the ANC through a fisheries project.

**Siphokazi Ndudane** was DAFF's deputy director general who, according to the Fishrot Files, was wined and dined by Samherji's representatives in Cape Town. Last year *City Press* reported that Ndudane, Zokwana and Cosatu president Sdumo Dlamini had each received R300,000 in bribes from Deon Larry, an abalone dealer. Larry later filed papers in court demanding R2.5m from Booi, Baatjies and advocate Shaheen Moolla. Larry claimed the money was meant to secure permits for a rock lobster venture that failed because the permits Booi and Moolla had promised him did not

materialise. Ndudane was dismissed in December last year after a disciplinary hearing found her guilty of theft of abalone worth more than R7m at a government storage facility in Paarden Eiland. She now heads the Eastern Cape department of Rural Development and Agrarian Reform.

**Shaheen Moolla** is a well-known and often-controversial figure in the fishing industry. Currently managing director of Feike Natural Resources Management, he was previously the head of Fisheries Management and Compliance at DAFF and chairperson of the 2013 Fishing Rights Allocation Process appeals committee.

Minister Zokwana re-appointed Moolla when Sadstia took the minister to court for the experimental fishing permit he had issued to Global Pact Trading 193, the company where Moolla acted as a legal advisor during its negotiations with Samherji.

**Allie Baderoen** is the president of the Cape Town Branch of the SA-China People's Friendship Association, whose aims are to improve mutual understanding and trust and promote exchange and cooperation between the people of South Africa and China. Launched in 2013, its honorary presidents are: former minister Nomvula Mokonyane, ANC Secretary General Ace Magashule and former Western Cape politician Marius Fransman, who is the honorary chairman. ■

group of companies to review a potential agreement wherein his client would supply a vessel to Global Pact. He said that his law firm was not involved in the permit the company had secured.

But the political backup was real because in another email Stefánsson informed a colleague about a planned meeting with Global Pact's owners and their connections, referring to them as the "main person" and "a former Minister in South Africa".

It is not clear which former minister but, according to company documents, Global Pact's "main person" was James Booi, its managing director, who is allegedly a former bodyguard and friend of Jacob Zuma.

In Cape Town Baderoen was just as thrilled with his connections and in April 2016 he wrote to Stefánsson about a meeting he was going to have with DAFF's deputy director general (DDG) Siphokazi Ndudane, referring to her as "the lady you met under the instruction of the minister".

A few weeks later Baderoen visited Samherji's headquarters in Iceland and on his return he sent an email to Stefánsson saying he had shared "the news with his principals in Johannesburg" and that they had a host of projects that will be "made available to us".

Global Pact needed a partner with access to a mid-water trawler as well as a market to sell the yet-to-be fished 8,000 tonnes of horse mackerel and Baderoen knew that Stefánsson held the key. Between the two of them, assisted by teams of lawyers and tax consultants in South Africa, Namibia, Cyprus and Iceland, it was decided that Global Pact would enter into a

joint venture (JV) with Esja Shipping, a subsidiary of Samherji in Limasol, Cyprus. Esja Shipping would hold 49% of the shares and Global Pact 51% in the JV-company.

The memorandum of understanding (MOU) stated that Esja would provide the operational and capital expenditure funding in order to "operationalise" the permit while Global Pact would exclusively make the permit available. Its directors would also supply their "expertise and know-

## The 'main person' at Global Pact was James Booi, allegedly a former bodyguard and friend of Jacob Zuma

ledge" of government institutions and horse mackerel fishing in South African waters.

By law, foreign-flagged fishing vessels are not allowed to operate in South African waters. But why stress about this little detail if you have the decision-makers on speed dial?

Baderoen arranged for Stefánsson to meet the who's-who in the fisheries department and beyond to discuss such a permit over dinner in Cape Town and later gave feedback to Samherji's CEO in Iceland, saying Zokwana and Ndudane had attended

as well as Zokwana's Chief of Staff and "the Speaker." (Your guess is as good as ours who that could have been).

The follow-up emails between Baderoen and Stefánsson are cryptic but telling.

Baderoen: "The minister said he would support Samherji 100% to enter South Africa and his people would help Samherji take its first steps."

Stefánsson: "I assume it is best for us not to make an official letter to thank him for the meeting as it was not official or shall we [sic]?"

Baderoen: "They want to visit Samherji and Iceland. Invitation should be extended to Minister. For now the delegation to accompany the minister should be left for the minister to decide."

Advocate Shaheen Moolla, who acted as Global Pact's legal advisor during its negotiations with Samherji, said: "This dinner should immediately raise a red flag because third parties seeking a permit or any other authorisation from the department ought to ethically see the minister at his official offices.

"It certainly creates an impression of wrongdoing or ulterior motives, particularly because every other party involved in fishing is never afforded such privileges of wining and dining ministers."

With the questions about a licence for the foreign vessel out of the way the parties started discussing the fees for their venture. First up was the use of the valuable permit, which was established as R2,000 per tonne of fish landed and payable by the joint venture to Global Pact within seven days after landing. With a quota of 8,000 tonnes, this calculates to R16m



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for Global Pact for simply being connected to the right people.

Global Pact wanted 20% up front and after a personal meeting in Iceland with Samherji's CEO, Thorsteinn Mar Baldvinsson, Stefánsson reported back to Baderoen that "the big boss" had agreed to pay the 20%.

This meant Global Pact would receive R3.2m as the first payment once the licence for the foreign vessel, allegedly promised by minister Zokwana himself, was in place and before any fishing occurred.

There was another fee that Samherji was asked to cough up before any fishing took place. – ostensibly described as a socio-economic levy of 10%. Moolla asked Stefánsson in more than one email to urgently pay this levy via EFT to Global Pact's Standard Bank account in Hermanus.

*Noseweek* was unable to find any reference to such a levy in both the permit and its conditions in the Fishrot Files on the internet but Moolla assured us that the levy would have been utilised to get more horse mackerel processed and consumed locally. However he said he was not privy to Global Pact's detailed processing and local marketing obligations and commitments.

Baderoen and his lawyer Brendan O'Dowd explained that the levy was an additional sum over and above the usage fee, to assist Global Pact meet the local socio-economic investment obligations attached to its permit.

*Noseweek* asked senior executives in the local fishing industry about this so-called socio-economic levy and they were adamant that there has never been such a fee payable as part of a fishing permit.

Nevertheless, if based on 10% of the usage fee, the levy calculates to R1.6m

or 1.3%-2% of the projected value of the permit; literally, a drop in the ocean for South Africa's poor who need jobs and a cheap source of protein.

Then, inexplicably, after six months of wheeling and dealing at the highest level and with the JV in place, Global Pact suddenly walked away from the negotiations with Samherji. The move coincided with Stefánsson's resignation from his job as the bagman for the corrupt fishing company, Samherji. But nobody suspected in 2016 that he had downloaded 40 gigabytes of confidential documents, including those

## South African officials were willing to make it easy for him, as a foreigner, to fish in our waters

that showed how South African politicians and officials were willing to make it easy for him as a foreigner to fish in our waters.

In South Africa, in the meantime, Sadstia had learned that their appeal against the minister's decision to grant Global Pact a fishing permit had been dismissed and they decided to take the case to court.

Dr Johann Augustyn, Sadstia's secretary and the former Chief Director of Fisheries Research at DAFF, said in his affidavit that the department had no record of decision other than the Global Pact

permit itself, and no valid reason was presented as to why the association's appeal was rejected.

"I submit that the most reasonable inference is that the decision was influenced by an undisclosed ulterior purpose or bias, as to the precise nature of which one can only speculate."

Three years later the WikiLeaks Fishrot Files proved this to be true.

Zokwana and his officials agreed to settle the case on 9 November 2016. The reason they gave was that Global Pact's permit had been due to expire the following month and that "any decision by a court will be moot and academic by the time judgement is granted".

Zokwana, the former chairman of the SA Communist Party, was replaced by Barbara Creecy in May 2019 and the department is now known as, Forestry, Fisheries and Environmental Affairs.

At the time of the media reports in *City Press*, all the allegations were denied by attorney Barnabas Xulu who acted for the DAFF.

Vukile Mathabela, who received the questions on behalf of Zuma, failed to respond.

Moolla, Baatjies and Booi dismissed the claims as "outlandish." Moolla told *Noseweek* that nothing had come from the Hawks' investigation into the allegations and that he had severed all ties with Booi and Global Pact, which he described as a rogue company, which had never paid him for his services.

James Booi did not respond to questions from *Noseweek*, while Ndudane denied the recent allegations in a media statement and said she would clear her name.— **By Susan Puren**

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