



# National Council of Provinces Presentation

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# INTRODUCTION



*It has been a year of averages, balance and learning:*

*averages because we have won & lost;*

*balance because in the evaluation of real impact,  
the truth often lies somewhere in the middle;*

*learning because we have become more patient  
in our timing...*







# MANDATE & STRATEGY



- The DSO targets criminals who organise crime and profit from it.
- Using a multi-disciplinary and success-driven approach, to deal with cases more effectively, under central command.
- To be more pro-active, pre-emptive, and intelligent in investigating and prosecuting organised crime.
- Targeting the top-end, main perpetrators and proceeds of priority crimes, through calculated court-work.
- Our strategy is to mark down the impact of and to drive up the disruptive effect on organised crime.



# Key Activities & Impact



- Initiated 367 new investigative assignments.
- Finalised 264 major investigation legs.
- Prosecuted 214 cases to conclusion.
- Conviction rate above 80%.
- 274 Suspects arrested and 316 premises searched.
- Value of assets restrained in DSO cases: R550m.
- Handled 41 cases in which R64m is destined for CARA.
- Seized contraband and drugs worth more than R1bn.
- Directed R50m to the victims of organised crime.





# Comparative Performance Analysis



	Targets	2004/2005	2005/2006	2006/2007
Investigations finalised	<b>250</b>	<b>325</b>	<b>318</b>	<b>264</b>
Prosecutions Finalised	<b>250</b>	<b>234</b>	<b>243</b>	<b>214</b>
Conviction rate	<b>80%</b>	<b>88%</b>	<b>82%</b>	<b>86%</b>
Contraband interdicted	<b>R 500m</b>	<b>R 2,46bn</b>	<b>R 445m</b>	<b>R 1bn</b>
Assets under restraint	<b>R 250m</b>	<b>R 210m</b>	<b>R 175.8m</b>	<b>R 550m</b>
Arrests	<b>-</b>	<b>471</b>	<b>447</b>	<b>274</b>



# Cases & Operations



Saambou  
Bank

Kebble  
(R300M)

Leisure  
Net

Redcross

Mastermind

Fidentia

Shaik  
&  
Yengeni

Project  
PC

Travel  
Fraud

Rautenbach

Guanxi  
&  
Agliotti

S  
Vs  
D. King

Cool  
Frog



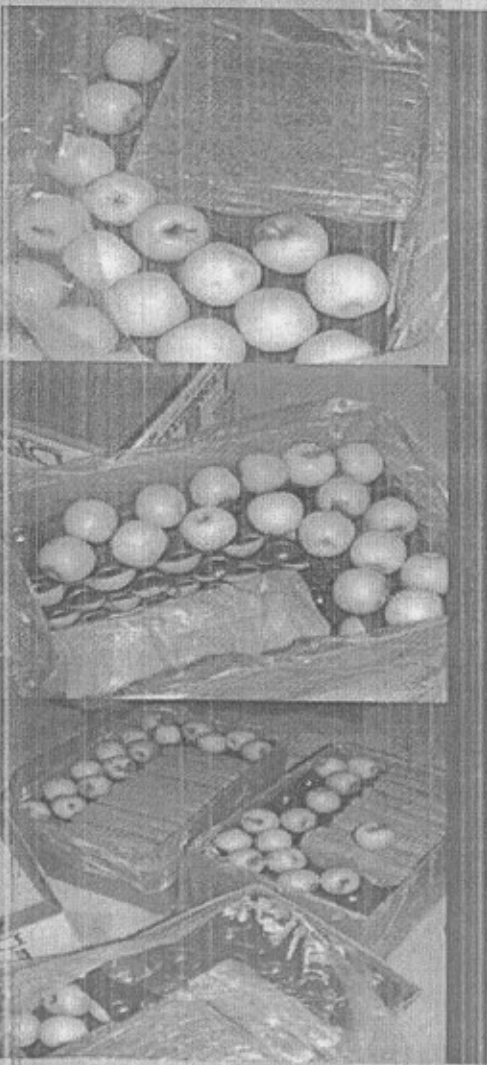


# PRACTICAL APPLICATION & COOPERATION



- The **NDLC** investigation demonstrated that loans, gifts, private banks, property, sales beneficiaries and other acquisitions, could constitute an intricate web of corruption involving 7 countries.
- **SHAIK CASE:** None of the gratification benefits, loans, etc., given or received, were reflected in local or foreign tax or disclosure records.
- In **YIELD** the international transshipment & distribution of precious metals, sold on the black market, required large-scale information sharing & joint investigations between SA & UK.





# Red Cross



- 2 July 2006 – Surveillance led to a raid on a warehouse in Milnerton, Cape Town
- 2 Two Britons and a South African were arrested *in flagrante delicto* ± 4 tonnes (3894 “bricks”) of compressed cannabis
- 2 ± R364 Million – Wholesale market price, UK “street value”
- 2 3 Accused convicted and sentenced: Combined 23 years and R1,6 million.



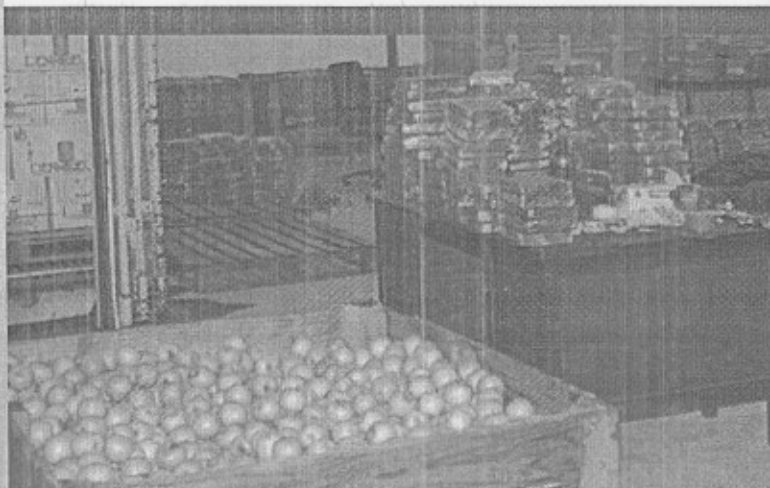


# Red Cross



## Operation Appleton

- 2 Elaborate concealment technique, cannabis hidden in boxed apples, destined for the UK
- 2 Drug trafficking generates enormous profits and remains the leading activity engaged by organized crime groups



- 2 This organized crime syndicate is responsible for trafficking drugs between source and consumer - profit was to finance a shipment of cocaine from South America to UK
- 2 Worldwide, Cannabis remains most commonly used and trafficked drug.



# Throwing Out Bait



**From:** Standard Bank Security Department [mailto:ibsupport@standardbank.co.za]  
**Sent:** 25 March 2007 03:07 AM  
**To:** Melissa Poole  
**Subject:** Online Banking Security Alert: Update Your Online Banking Information

Dear client of Standard Internet banking,

Due to concerns, for the safety and integrity of your account we have issued this warning message. It has come to our attention that your Standard Bank account information needs to be updated as part of our continuing commitment to protect your account and to reduce the instance of fraud on our website. Standard Bank security department has request for your account informations including your registered email address and email address existing password. These will be use in our upcoming security enhancement which will be taking place on the 27th of March 2007. These Informations are mandatory to complete your verification as a legitimate member of Standard Bank Limited. please take 5-10 minutes out of your online experience and update your personal records so that you will not run into any future problems with the online service.

Once you have updated your account records, your Online Account service will not be interrupted and will continue as normal.

To get started, please click the link below:

[http://www.standardbank.co.za/signon?LOB=CONS&screenid =](http://www.standardbank.co.za/signon?LOB=CONS&screenid=)

This instruction has been sent to all bank customer and is obligatory to follow.

We look forward to continuing to provide you excellent service.

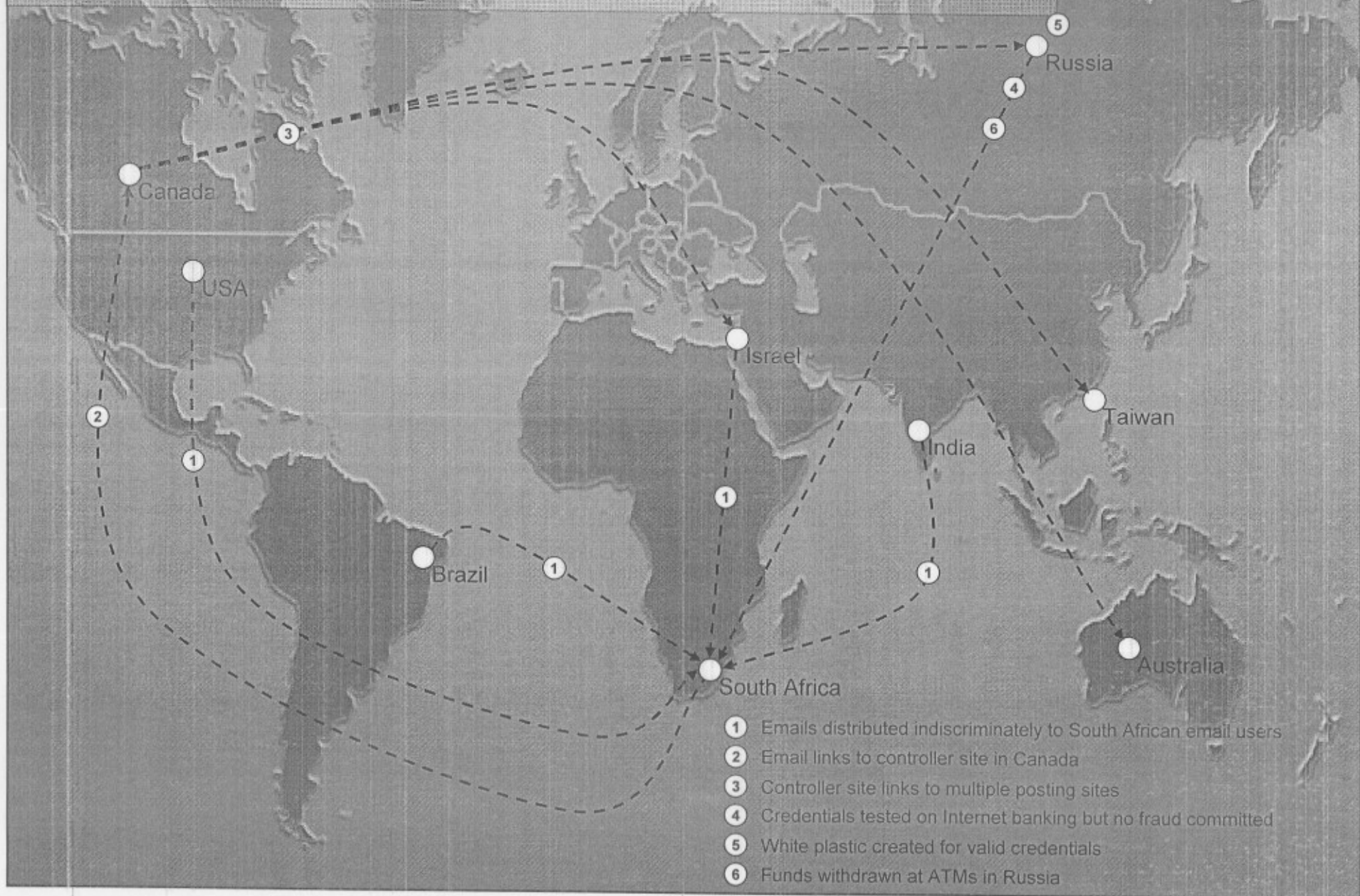
Thank you,

Standard Bank Plc

[www.lovelessrecords.com/ssl\\_secure/standardbank/signonmenu.htm](http://www.lovelessrecords.com/ssl_secure/standardbank/signonmenu.htm)



# Phishing E-mail Attack





# BAD GUYS



- March 2006 – authorised the biggest organised crime project in the DSO.
- 27 April 2006 – R 250m Hashish connected to an International Drug syndicate.
- 4 convictions & 4 suspects awaiting trial.
- Ongoing international seizures, linked to Europe, USA, Pakistan & Canada.
- 26 October 2006 – Clinton Nassif arrested on fraud charges.
- 16 Nov 2006 – Glen Agliotti arrested on the Kebble murder.
- Currently – extradition of John Stratton.







# Project Guanxi



Picture: Peter Deane

MEMBERS of the Scorpions unit set alight counterfeit goods, including cigarettes and clothing, at a farm in Cato Ridge. The goods had a street value of more than R4 million.

## Men deny murder

"I WAS at home," a 39-year-old man charged with murder, kidnapping and robbery told the Durban High Court yesterday.

Mr. Thami Kweve Nyeveqa (19) said that on July 8 1979—the day an Englishman, Mr. Mohammed Subjee, was killed outside the local mosque—he was at home. It was an ordinary day, he told the court. Nyeveqa and his two ex-accused, Mr. Xolani Ntshembu (19) and Mr. Thabo Khole (23), all of Kwa-Markha, have pleaded not guilty to the charges.

## Scorpions destroy fake goods

JAMI MEYER  
Crime Reporter

GUY LAWKES, celebrations came early this year when counterfeit goods with a street value of more than R4 million went up in smoke at a farm at Cato Ridge yesterday.

The goods included hundreds of cartons of cigarettes and counterfeit brands including K (for, the book and Caterpillar). The cigarettes and clothing

were confiscated by the Durban Scorpions following intensive investigations into the Chinese Mafia, known as Triads, operating in the country.

The clothes were seized from several warehouses and containers and were believed to be destined for South Africa.

Although leading a long profile, the Scorpions have been busy with several investigations, including the illegal trade by the Triads.

Recently, the unit secured the highest ever fine to be imposed by a court for an individual being in possession of counterfeit goods under the Customs Act.

Chinese national Mr. Ka-Lun Chan was fined R1-million by a Johannesburg court and also received a five-year suspended sentence.

Investigators said several more arrests and seizures could be expected.

Daily News 2/10/2001 p. 2

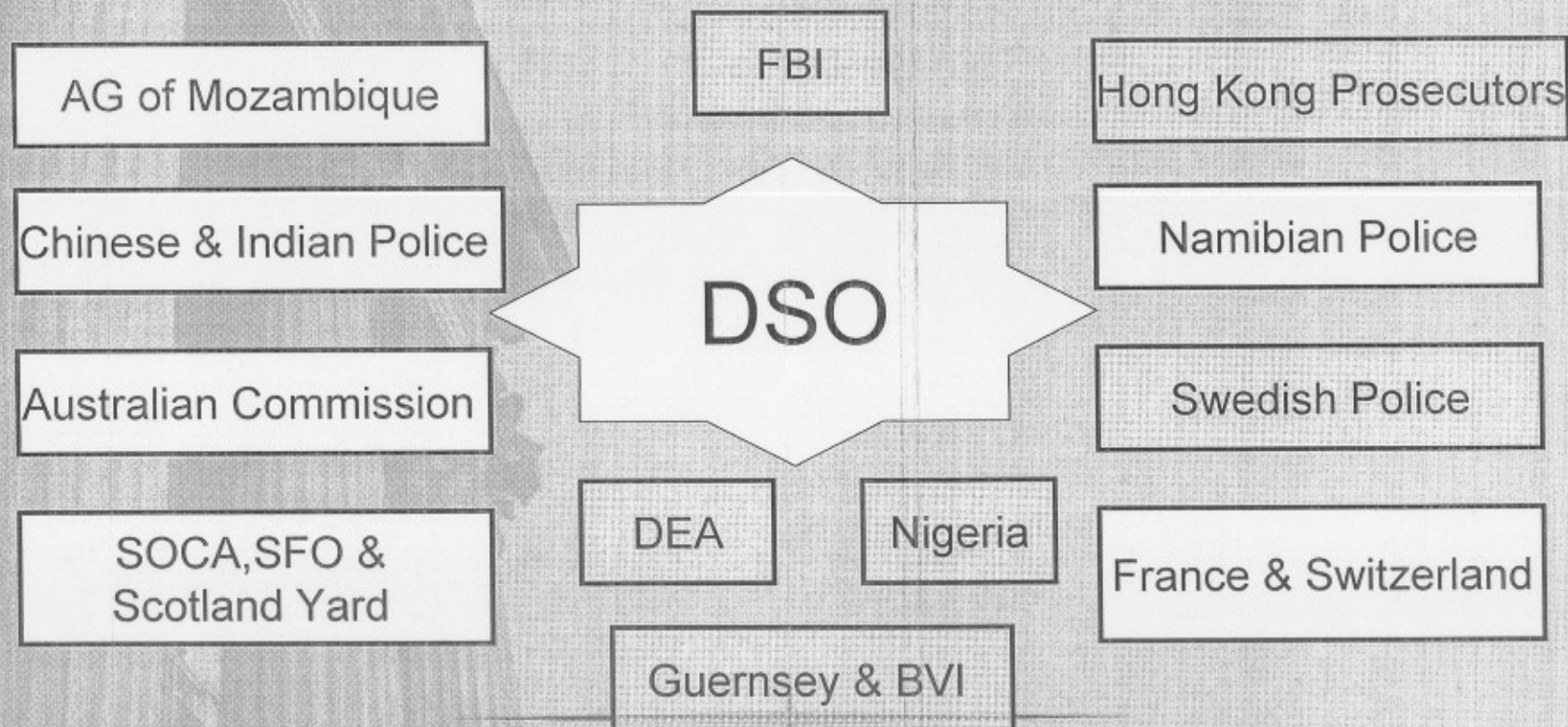


# International Assistance



The National Prosecuting Authority of South Africa  
Iqenye Jikelele Lokotshelwa bolizweni Afrika  
Die Nasionale Vervolgingsorgaan van Suid-Afrika

DSO dealt with approximately 60 mutual legal assistance requests in relation to transnational syndicate activities, offshore investments, transfer pricing, corrupt nominal shareholding and extradition.







# INTERNAL BUSINESS



- **Operational Support Division** conducted 463 operations (electronic surveillance, tactical, cyber forensic and witness protection).
- **Crime Analysis Division** produced more than 200 outputs (profiling of suspects, analysis of projects, threat assessments, detailed billing and analyst notebook profiling).
- The **Training Division** facilitated 15 major training interventions regarding advanced legal practice, cyber forensics, complex financial investigations, generic expertise and business administration.
- Under the **HCI**-project, 19 out of 26 training manuals were developed.



# HUMAN RESOURCES



The National Prosecuting Authority of South Africa  
Igama Lasele Loheshahishi beNtentsi Afrika  
Die Nasionale vervolgingsgesag van Suid-Afrika

18 JUNE 2004  
504

17 MARCH 2005  
519

17 FEB 2006  
679 posts  
(500 FILLED)

Max: 546

4 MAY 2007

821 positions

Cost: R250m

- 142 created since 20 Nov 2006
- 475 filled

121 unfunded  
Till June 2006

Male: 311 (65%)

Female: 164 (35%)

African: 238 (50%)

White: 135 (28%)

Indian: 42 (9%)

Coloured: 60 (13%)





# Administration, Finance & Budget



- 26 October 2006: Setting up of dedicated administration.
- Treasury has approved separate ENE/Bank Account for DSO funds.
- Main spending drivers: compensation, goods & services and capital assets.
- Staff Turnover: Losses - 40; Gains - 36; Rate - 8%.



# Challenges



- Increasing operational effectiveness in investigating and prosecuting organised crime.
- Revolutionalising jurisprudence in POCA, communication laws and international assistance.
- Settling the functioning & streamlining co-ordination of the DSO.
- Sharpening capacity to deal with civil litigation and professional pressure.
- Matching job demand with expertise.
- Re-engineering recruitment, growth and retention strategy.
- Enhancing the workspace: equitable, competitive and rewarding.

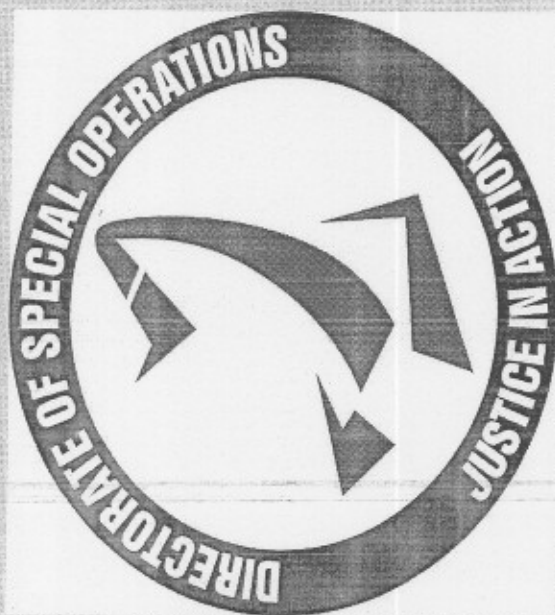




# Solutions Ahead



- Standardise best-practice, dedicated court time & internal counsel capacity.
- Focus areas: agent evidence, drug-smuggling, racketeering & financial trails.
- Empirical, research-based impact-measurement indicators.
- Enable DSO to circumvent classic public service requirements.
- Aggressive filling of 340 positions, 152: headhunting & 2 bootcamp.
- Training Academy, corporate infrastructure & project teams.



***“The test of courage comes when we are in the minority. The test of tolerance comes when we are in the majority.”***

**Ralph Sockman**

# THANK YOU