



13 December 2017

Mr Tom Moyane
SARS Commissioner
Tshwane

Dear Commissioner Moyane

Financial Centre Report on Mr Makwakwa Leaked

I am not altogether clear about the implications of your 8 December letter in regard to the above, but my brief reply is as follows:

1. Parliamentary committees obviously have to abide by the law and rules of Parliament.
2. Parts of your letter are questionable for their accuracy.
3. As explained at the Committee meeting:
 - a. Adv Frank Jenkins is advising the Committee on the legal parameters of our Committee's oversight role in regards to the Makwakwa matter. As part of this I asked him – as any reasonable Committee Chairperson would – to provide the members with all the relevant documents that are in the public domain regarding the Makwakwa matter.
 - b. I did not in fact look at the documents he emailed to me and simply forwarded the email to our Committee Secretary to send to members, as I sometimes do when I am pressed for time. I was extremely busy with many Committee matters as Parliament was drawing to a close, including a 131-page report on the Financial Sector Transformation Report and the Insurance Bill, so I did not know that the documents included what is claimed to be the FIC Report on Mr Makwakwa. I only got to know that this Report was with Committee members when Mr Alf Lees of our Committee raised it in the meeting.
4. But the Report IS in the public domain – and I cannot see what was wrong with Adv Jenkins sending it out. After all, members of the Committee could have easily accessed the Report on *The Daily Maverick* website.
5. You say (paragraph 4) "SARS declined to discuss the Report." But the Committee didn't discuss the Report, so there was no need for you to "decline" discussing it. In fact, we have never requested a copy of the Report! We HAVE requested copies of the Hogan Lovells, PWC and Disciplinary Inquiry Reports.
6. In any case, Adv Jenkins pointed out to the Committee that because the supposed FIC report was not given to the Committee in terms of the correct procedure set out in the FIC Act, the Committee cannot use the report to reach any conclusions.
7. It's not clear to me why your office or a SARS legal representative couldn't just contact Adv Jenkins and get *The Daily Maverick* website link! Contrary to the tone and content of paragraph 8 of your letter, it's not Adv Jenkins' responsibility, in my view, to give you the link. But, fine, I asked him, and he says: "you would need to scroll down and open the following link: Scorpio: The Makwakwa Dossier, Part One – Moyane, Hogan Lovells and the investigation that never really was. Then scroll down and open the following link: https://www.scribd.com/document/365000045/160517-FIC-Extract-Makwakwa#from_embed". It's also not clear why if it's as easy to locate as Adv Jenkins suggests that not a single SARS IT or other staff member cannot locate it.
8. And how is it possible that SARS was not aware that it is on the website until it appeared in the Committee?? Very odd!..
9. You have been insistent that we follow the route SARS suggests of lawyers, including a Senior Counsel, deciding on what documents the Committee has requested from SARS you can legally forward to the Committee – and we agree. So it's not clear why you didn't refer this matter of the Committee having copies of the supposed FIC Report from the *Meverick* website to that legal process.

10. If the report on *The Daily Maverick* website is the accurate report, presumably somebody from your office or the FIC leaked it? So really this is an issue for SARS and the FIC to settle, and a matter between you two organisations and the *Maverick*. As I see it, those are the issues to address; our Committee obviously has nothing to do with the leaks!
11. In the meanwhile, on the very day you write to me, there's yet another article in the *Maverick*, "Scorpio: The Makwakwa Dossier, Part 3 – Why SARS No 2's erratic spending pattern raised red flags with Financial Intelligence". Accurate or not, I can't say. But the damage continues...

We thank you for your attention and convey good wishes.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Yunus Carrim', written in a cursive style.

Yunus Carrim
Chairperson: Standing Committee on Finance