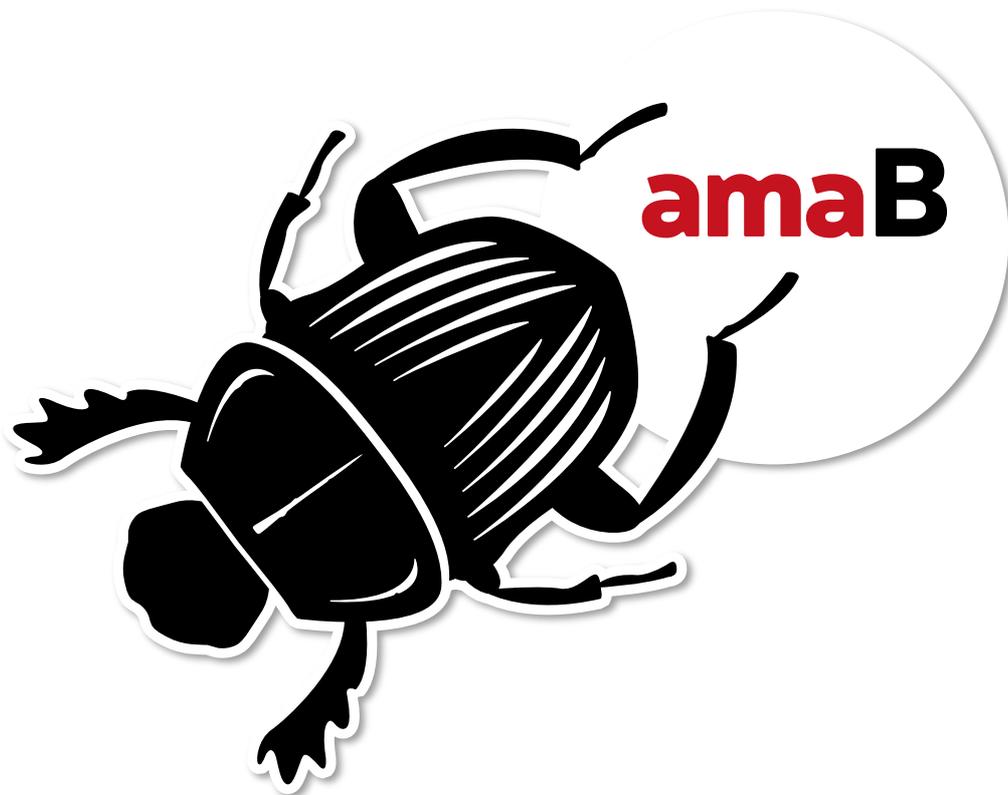


**digging dung.**  
**fertilising democracy.**



AMABHUNGANE CENTRE FOR INVESTIGATIVE JOURNALISM NPC  
NARRATIVE REPORT FOR THE YEAR ENDED 31 MARCH 2019

# CONTENTS

Introduction

Organisational update

Investigations programme

Investigations support programme

Advocacy programme

## INTRODUCTION

The amaBhungane Centre for Investigative Journalism is a non-profit company that develops investigative journalism – a public interest task we believe promotes free, capable media and open, accountable, just democracy.

We do so through the best practice of investigative journalism; by helping others do the same; and by advocating for the information rights that are the lifeblood of our field.

## ORGANISATIONAL UPDATE

A year ago, we shared that our work on the #GuptaLeaks had made the preceding period “our most exciting yet”. Unfolding events since then and our continued work on the state capture scandal have meant that we saw our tagline, “digging dung, fertilising democracy”, come to life.

Events in 2018 – Jacob Zuma’s forced resignation in February; Cyril Ramaphosa’s assumption of the presidency and appointment of a “compromise” cabinet; the subsequent resignation of the finance and home affairs ministers who had been tainted by the Gupta scandal; the appointment of the Zondo, Nugent and Mpati judicial commissions – have all reconfirmed the value of an independent, inquiring media.

The recognition we have earned for our #GuptaLeaks work – and for other stories ranging from land dispossession to corporate and political crime and crony investments by the powerful Public Investment Corporation – has boosted amaB’s credibility and future prospects.

**Publication:** Three years after terminating our priority publishing agreement with one publisher, the *Mail & Guardian*, we can confidently say that the distributed publication model we subsequently embarked on was the correct decision to reach wider audiences and achieve impact.

The model entails reaching readers where they are, rather than trying to herd them to us. During the review period we published via *News24* (SA’s largest online news site), *the Daily Maverick*, *the Mail & Guardian*, *City Press*, *Business Day* and *Financial Mail*. We also published via platforms under our control: our website, newsletters, Twitter, Facebook and WhatsApp.

The model means that the biggest readership numbers come not from our platforms, but from newspapers and popular news sites like News24 and the Daily Maverick. But again, direct readership is not all that matters. A much more important indicator is whether a story “grows legs”, i.e. is picked up by other media and commentators and helps to set the national agenda/bring about change. The model has ticked this box too.

We launched our new website, [amaBhungane.org](http://amaBhungane.org), in August 2018. Although we had serious teething problems under the bonnet, the site finally gave us the ability not only to showcase all our stories, but truly to interact with readers and start building community. A key innovation is the [Open Newsroom](#) section, which attempts to recreate virtually the experience of members of the public walking from the street into our offices.

Open Newsroom features include a “meet the team” facility; the iInvestigate section where citizen investigators and journalists can access online investigative tools; a tip-offs facility; an Open Investigations section where stories we are working on are showcased and we can crowdsource information; and an Inside Story section where we expand on and explain recent stories and events.

**Crowdfunding:** AmaB Supporters – readers making voluntary contributions – covered an unprecedented 28% of our operating expenses in 2017/18, the #GuptaLeaks year. We feared a significant contraction as things returned to “normal” during the review period; yet set the ambitious target of 25% for the year under review. Readers answered our call and effectively met our target, contributing over R2.2-million, or 24.6%.

This means that for two years running, reader support has been our single biggest source of income, helping to guarantee our independence and sustainability. We have set targets of 29% and 33% for the coming two years and hope to get to 50% in the medium term.

Challenges in building and maintaining our support base include supporter retention and relationship management, audience development, and the use of technology to support these efforts. A big challenge in 2018 was the launch of our new website. After first going live in August 2018, persistent snags necessitated a complete rebuild, which was launched in January 2019.

The website delays have stalled efforts to build additional channels for giving. Individuals currently contribute via a third-party giving platform, but not yet via an online payment solution under our control. We have also not yet implemented an intended database solution, which will facilitate accurate and timeous communication with our supporters. We have, however, now migrated to a compatible accounting system and look forward to starting the implementation soon.



*February 2019: Team amaB at our amaTalkTalk annual strategy session*

**Governance and people:** Our board remains as it was except for a change in staff representation. Tabela Timse stepped down in September 2018 after serving a two-year term. Staff elected Sally Evans to serve the next term.

Our board members are:

- Prof Tawana Kupe, vice-chancellor of the University of Pretoria (non-executive chair)
- Stefaans Brümmer, amaB joint managing partner (executive)
- Nicholas Dawes, Human Rights Watch deputy executive director for media, ex-editor (non-executive)
- Sally Evans, amaB digital coordinator and investigator (non-executive, staff representative)
- Dr Sithembile Mbete, University of Pretoria politics lecturer (non-executive)
- Sisonke Msimang, human rights and gender activist, writer (non-executive)
- Angela Quintal, Committee to Protect Journalists Africa coordinator, ex-editor (non-executive)
- Sam Sole, amaB joint managing partner (executive)

We made two staff appointments during the reporting period: Caryn Dolley, who specialises in crime investigations, on a contract basis; and Lizel Shepherd as operating coordinator. Lizel is tasked with amaB's day-to-day financial and human resource administration, and donor liaison.

One of our most experienced investigators, Craig McKune, left towards the end of the reporting period. At year-end, the team consisted of:

- Investigators: Tabela Timse, Susan Comrie, Micah Reddy, Zanele Mji and Caryn Dolley.
- Investigations support coordinator: Drew Forrest
- Advocacy coordinator: Karabo Rajuili
- Digital coordinator and investigator: Sally Evans
- Operating coordinator: Lizel Shepherd
- Administrator: Nomagugu Nyoni
- Managing partners: Sam Sole and Stefaans Brümmer

## INVESTIGATIONS PROGRAMME

**Public-interest stories:** We kept publishing agenda-setting investigative stories, serving the public through the exposure of wrongdoing. During the reporting period, we published some 70 stories. All are available at [amabhungane.org/stories/](http://amabhungane.org/stories/). Highlights include:

*More Gupta plunder:* We unravelled further strands of the Guptas' looting spree. We explained how the price of large locomotive procurements was [inflated by billions](#) to make space for kickbacks the crime family received. And following on our earlier exposure of how the Guptas had [bought themselves](#) an auditing firm as a front, we showed how they had used [public money](#) for it. We also showed how the Guptas were linked to the [inflation of costs](#) to relocate a locomotive manufacturing facility, and in [an award-winning set of exposés](#) showed how a financial services firm had been used to extract hundreds of millions of rands from state entities for the Guptas.



March 2019: Again, amaB journalists shone at awards. For her exposés on a financial services firm linked to the Guptas, our Susan Comrie was named joint overall winner at Taco Kuiper, South Africa's premier award for investigative journalism. Our Zanele Mji was given a special mention for her stories on land and dispossession.

*Money for jam:* In a series of articles, we showed how the Public Investment Corporation (PIC), the fund manager for public servants' pensions and a dominant player in the economy, had become subject to capture by a different set of interests. We highlighted unusual [attempted](#) and [actual](#) investments worth billions in companies co-owned by newspaper proprietor and political crony Iqbal Survé; followed up on earlier exposés regarding the PIC's strange [investment with a politically-connected Nigerian-American oilman](#); and showed how the PIC had paid an R18.5-million "referral fee" into an offshore account after then finance minister Nhlanhla Nene's son and his business partner had introduced it to a deal in Mozambique. These investments are now all being looked at by the Mpati Commission of Inquiry into the PIC.

*Scammed:* Following an [in-depth investigation we laid bare](#) how former Steinhoff chief executive Markus Jooste and his inner circle had enriched themselves via self-dealing, pulling down the pillars on which ordinary investors' wealth had rested.

*Landless:* For black South Africans, dispossession is not something lost in the mists of history: it is a wound within living memory – and for the majority who are poor, it remains a constant threat. We [highlighted the cost](#) to communities whose homes have been demolished [to make way](#) for luxury urban real estate developments.

*Sinking funds, sunk:* We [published evidence](#) of a R30-million conflict of interest for Geoff Makhubo, the chair of the ANC's powerful Johannesburg region and a prospective mayoral candidate. His company was paid this money by Regiments, the financial advisory firm which managed the City of Johannesburg "sinking fund" – even after Makhubo became the mayoral committee member responsible for the contract.

*What the EFF:* Focusing on new metro coalition politics, we highlighted allegedly slow progress to tackle mismanagement and dodgy contracts at [the Johannesburg Roads Agency](#). We also revealed how, before winning a R1-billion vehicle fleet deal from the City of Johannesburg, a firm [made payments](#) to a company whose account was used for the benefit of Julius Malema and the EFF, the party which holds the balance of power in the city.

*Insecurity:* Beginning in 2019, we reminded readers of how state capture began with the suborning of the [state security](#) and criminal justice systems and how these battles are still playing out [in provincial underworld alliances](#) and [the politicisation of law enforcement at national level](#).

**Recognition:** Our investigations have been acknowledged by our peers and industry stakeholders. Our journalists shone at awards. During the reporting period we received accolades including:

*June 2018 – Sanlam Awards for Excellence in Financial Journalism:* amaB with our #GuptaLeaks partners the Daily Maverick, News24, OpenUp and Finance Uncovered win the business/companies category for our Gupta stories.

*September 2018 – Standard Bank Sisivile Journalism Awards:* amaB with our #GuptaLeaks partners win the investigative journalism category for our Gupta stories.

*November 2018 – Vodacom Journalist of the Year Award:* Tabela Timse wins the politics category for her stories on the Gupta-linked Estina dairy project. At regional level, Craig McKune and Sam Sole win in the politics category (kwaZulu-Natal) for their reporting on the Public Investment Corporation, and Susan Comrie with Scorpio's Pauli van Wyk in the investigative category (Gauteng) for their McKinsey Dossier series.

*March 2019 – Taco Kuiper, South Africa's premier award for investigative journalism:* Susan Comrie is named joint overall winner for her exposés on a financial services firm linked to the Guptas, and Zanele Mji is given a special mention for her stories on land and dispossession.

## INVESTIGATIONS SUPPORT PROGRAMME

**Incubating a shared services centre:** Perhaps the most exciting development in this portfolio was our work towards launching a shared services centre (SSC) to support investigative centres and journalists in the SADC region. It will do so by de-risking and raising philanthropic funding for investigative journalism centres; and offering capacity-building and direct support at organisational/administrative and editorial levels.

AmaB conceptualised the SSC during the latter part of the reporting period in response to challenges that the SADC centres we work with have experienced in attracting core funding, and in order to build on our current work of supporting the SADC centres and journalists.

The SSC, to be launched in September 2019, will be incubated by amaB and initially hosted by it, but would be an independent entity answerable to the centres. At the time of writing, amaB had secured a funding commitment of R2-million from the Millennium Trust and US\$23 834 from the Foundation Open Society Institute.

**Our partners:** During the reporting period we worked with centres and/or individual journalists from *Botswana, Namibia, Lesotho, Zambia, Malawi and Swaziland*. We helped capacitate them through workshops, fellowships, organisational support and story support. The centres included:

- The investigative unit of *The Namibian*, Namibia
- The INK Centre for Investigative Journalism, Botswana
- The MNN Centre for Investigative Journalism, Lesotho
- The Makanday Centre for Investigative Journalism, Zambia
- The Inhlase Centre for Investigative Journalism, Swaziland, in formation

Our work also encompassed ad-hoc skills transfer in South Africa by working with journalists from the publications with which we co-publish.



October 2018: Workshop in Namibia. Micah Reddy (standing) and Susan Comrie (right) with participants.

**Workshops:** We conducted a total of six workshops in the rest of the SADC region.

*Swaziland:* In May 2018, amaB investigations support coordinator Drew Forrest conducted a training workshop in Mbabane in collaboration with the Swazi branch of the Media Institute of Southern Africa.

*Botswana:* In July 2018, amaB digital coordinator Sally Evans conducted a workshop in Gaborone focused on the use of social media to amplify investigative stories; crowdfunding; how to improve websites and engage readers; and on fake news.

*Namibia:* In October 2018, amaB journalists Susan Comrie and Micah Reddy conducted a workshop in Windhoek in association with *The Namibian*. They covered digital security, investigative tools and illicit financial flows.

*Malawi:* In December 2018, amaB managing partner Stefaans Brümmer conducted a workshop in Blantyre on the basics and of investigative journalism and open-source investigative tools.

*Lesotho:* In December 2018, Sally Evans conducted a workshop in Maseru focused on the use of social media to amplify investigative stories; how to improve news websites and engage readers; and on fake news.

*Malawi:* In March 2019, Susan Comrie and Micah Reddy conducted a workshop in Blantyre in association with the International Centre for Asset Recovery, focusing on the investigative process, investigative tools and trends in corruption.

**Fellowships:** Four journalists from the rest of the SADC region completed three-month fellowships and one more started with us during the reporting period. Fellows were based in our Johannesburg office and worked with the guidance of Drew Forrest, amaB's investigations support coordinator.

- Kago Komane, a newly-recruited investigator at the INK Centre in Botswana, joined us in March 2018 to prepare her for her new role at her centre.
- Mwanyengwa "Blommie" Shapwanale, from *The Namibian*, joined us in May 2018, also to prepare her for a new role with the paper's investigative unit.
- Lekhetho Ntsukunyane, from the MNN Centre in Lesotho, joined us in August 2018.
- Bodwa Mbingo, from the *Swazi Observer*, joined us in November 2018.
- Vitus-Gregory Gondwe, an investigative journalist from Malawi and previously with a centre we worked with, joined us in March 2019.

**Story support:** A number of stories from the regional centres benefited from amaB input. Stories are discussed before full-blown investigations are undertaken, to ascertain feasibility and to tease out ways of finding necessary information. First drafts are given a preliminary edit and suggestions are made as to how their readability and impact can be improved, and to ensure they are legally sound. After final quality control and amendments, the stories are offered both to South African and regional platforms for publication.

Such co-publishing serves two purposes: It amplifies the impact of stories by having them published in two countries, and through the editorial interaction between the regional centres or fellows and amaB, investigative techniques and disciplines are imparted.

## ADVOCACY PROGRAMME

AmaB's advocacy work is centred on securing the information rights (access to information, freedom of the media and speech) that are the lifeblood of investigative journalism. Focus areas over the last year included:

- Legislation: Critical Infrastructure Protection Bill, Public Investment Corporation Amendment Bill, Political Party Funding Bill, Companies Act Amendment Bill, Electronic Deeds Registration System Bill, Protection of Personal Information Act regulations.
- Commissions of inquiry: Nugent inquiry into the South African Revenue Service.
- Litigation: interception and the protection of sources, and a number of access-to-information matters – access to Zuma foundation financials, mining rights transparency and Hawks boss appointment.
- Access-to-information requests: Free State transport department contracting data, National Prosecuting Authority internal media policy, South African Reserve Bank VBS bank scandal report annexures, Eskom Sustainability Task Team recommendations, various requests for shareholder information under the Companies Act.



*June 2019: AmaBhungane and legal team outside court for our RICA challenge hearing.*

For brevity, we report on a selection of matters only.

The **Political Party Funding Act** was signed into law in January 2019. It included an amendment – quarterly instead of annual public disclosure – that we had argued for in parliamentary submissions.

We made submissions to Parliament on problematic provisions in the **Critical Infrastructure Protection Bill** that could have seen journalists jailed for 30 years just for taking pictures of what used to be called “national key points”. Our submissions and a resultant opinion from Adv Wim Trengrove led to important amendments, including a public domain defence.

Now no-one can be penalised for writing about or taking pictures of critical infrastructure security features that are visible to the public. The National Assembly adopted the Bill in March 2019. We consider this a partial victory as we maintain that a public *interest* defence, which was not acceded to, is essential to protect journalists and whistleblowers.

In June 2018, Parliament's standing committee on finance held public hearings on a new **Public Investment Corporation Amendment Bill** to reform the state pension manager's governance. Drawing on our detailed investigative work into malfeasance at the corporation, we made a submission on the need for specific transparency reforms.

While our input may have contributed to the retention of transparency provisions already included in the Bill, our pleas for further reform fell on deaf ears. This experience was repeated when we made further submissions to the National Council of Provinces in March 2019. (After the review period, we prepared a submission to the Mpati commission, whose brief includes making recommendations regarding legislative reform for the PIC.)

At the end of July 2018, we made a submission to the **Nugent inquiry into the South African Revenue Service** based on our experience of being sued by then-commissioner Tom Moyane and the revenue service itself for an article exposing rot at the institution. We invited Judge Robert Nugent to find that a legislative provision protecting taxpayer confidentiality may not be used to suppress the exposure of wrongdoing.

In his December 2018 report, Nugent agreed that Moyane's litigation against amaB journalists was likely intended to intimidate. He declined, however, to find it improper to punish disclosures in the public interest, saying that it was a matter for the courts to decide.

Our longstanding campaign regarding **interception and the protection of sources** came to a head during the reporting period. In August 2018, we filed final papers in the High Court to review the constitutionality of unregulated bulk interception and aspects of RICA, the Act that allows regulated interception of communications. The Right2Know Campaign and Privacy International joined as amici curiae, and the SA National Editors' Forum provided a supporting affidavit. (The matter was heard after the review period, in early June 2019. At the time of writing, judgment remained pending.)

We regard this as one of our most important advocacy challenges yet. Unregulated bulk interception and insufficiently-regulated targeted interception – essentially the same issues that Edward Snowden exposed in the US – not only threaten civil liberties but also the ability of investigative journalists to communicate safely with sources. It is our hope that the suite of reforms we demanded will help turn interception into the crime-fighting tool it is supposed to be and not a weapon to be directed at journalists, activists and political opponents.

In 2017, the Nonprofit Organisations Directorate refused our request under the NPO Act for access to records of **foundations associated with then-president Jacob Zuma**, insisting we should use the Promotion of Access to Information Act (PAIA). We were concerned that this would set bad precedent, as the NPO Act's provisions are unqualified, while PAIA allows exemptions which could easily be invoked to refuse access.

We launched a High Court challenge in June 2018. The directorate conceded and disclosed the requested records (although some were missing, which became the subject of further litigation). We consider this an important victory confirming the supremacy of the NPO Act's unqualified access provisions.

Of the 34 **requests for share registers** we made in terms of the Companies Act, 32 were successful. Of our four new **requests for information under PAIA**, where compliance levels are generally much lower, two were successful. They were for contracting records from the Free State transport department (on internal appeal) and for the National Prosecuting Authority's internal media policy. The Reserve Bank turned down our request for annexures to its publicly-released report on the VBS banking scandal, and the presidency for the sustainability recommendations of its Eskom Task Team.

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July 2019