

Wayne Duvenage, CEO of OUTA

- Good afternoon. Good evening, everybody. I am delighted to welcome Wayne Duvenage, CEO of OUTA, the Organisation for Undoing Tax Abuse, who will tell us more about his extraordinary journey and his successes in fighting the scourge of corruption in South Africa. Wayne was schooled in KwaZulu-Natal and is a BSc graduate of the University of Natal. Wayne is an entrepreneur, an activist, writer, speaker, and family man, all harboured into one restless soul. His favourite quote is by Tom Scott who once said, "It's generally unwise to leave those who created the problem in charge of finding the solution."

Much of Wayne's working life was spent in the transport and tourism industries where he served as the CEO at Avis for five years. Wayne was a founding member of the Civil Action Organisation known as OUTA, and chaired the body from its inception period from 2012 to 2015 as it set out to tackle government's introduction of Gauteng's irrational and corrupt e-toll scheme. In 2016, he became the CEO of the organisation as it took on a broader scope to challenge broader government corruption and grew the team from three to 45 people. Today, OUTA is regarded as a leading civil activist organisation in challenging the abuse of authority within the public sector in South Africa. Welcome, Wayne. I'm now going to turn the floor over to you and to Carly Maisel who will be in conversation with you. Thank you.

- Hi, Wayne.

- Thanks. Hi. Hi, Carly. Nice to meet you and thanks for that, Wendy, introduction.

- So we're going to start off by giving you an opportunity to tell people a little bit more about OUTA. Tell us how you started it. And I know it's come on a long journey. So, let's go from inception to where we are today.

- Yeah, thanks a lot. Look, it seems a long time ago, but eight years have just gone by very quickly. I think just to set the scene, you know, when this whole electronic tolling decision by government was thrust upon the residents of the economic powerhouse of South Africa and Africa in Johannesburg, it was quite a surprise for us because we were never consulted as an industry and our laws are very clear here.

We've got a good constitution. And government needs to meaningfully consult with citizens when it introduces policy that has a quite a big impact. and certainly on business in the car rental and the tourism and travel industry. We never knew about this plan that government hatched. I mean, we are very aware of electronic tolling, the technology works around the world. It's a very good way of financing infrastructure and private public partnerships with government, but in this case, when you're part of an industry that is going to be severely impacted by a policy and you know nothing about it and it's about to be unleashed, you've got to put in place a lot of changes and get ready for technology like this.

And basically it was the biggest electronic tolling scheme in the world at the time. 54 gantrys of drive now pay later scheme. What worried us was that, A, the public consultation was poor, and B, the administration and the scheme was set up to fail. We could see that. And then we started scratching and could see that the construction costs had increased by double. This road upgrade went from 9 billion rand to 18 billion rand. And we could see that there was tampering with the tenders.

And to cut a long story short, what we have in South Africa at that stage, was the beginnings of state capture. And I think we got a bit frustrated as business. And we formed a team of Paul Pauwen and Mark Cochran and myself and couple of others to say, this needs to be challenged. And for the first time, a business organisation, SAVRALA, the car rental industry body here, which Paul was President of at the time and a couple of us on that body, decided we would get the industry to challenge government. Unheard of in South Africa for business to stand up and tackle government. And we did so.

We interdicted the launch of the scheme. It put a lot of wind in our sails. And it actually gave the public the ability to see their power, to say and show that they can stand up to irrational decision making. And from there on what ensued was a very costly court challenge, very technical one, which we were not allowed to proceed. The ruling was then removed in our favour, put back into the agency, SANRAL, the South Africa National Roads Agency's favour.

They were allowed to continue with their plan to toll this electronic towing scheme on this 186 kilometres of freeway network. And then government set out on its law fare strategy to really cripple us through very expensive litigation as well as lean on business to stop funding OUTA. And at that stage, we were funded by mainly the car rental industry and the fleet industry. And it was an extremely difficult period from about 2012 to 2014 where we ran out of money.

We had to literally go to the public and say, unless you put a million rand in our account to go and appeal a bad judgement where we had a cost order against us, we were really our backs were against the wall, I'd also left Avis by then because this really needed full-time attention. I'd had fun. I'd enjoyed the company. It was a great company But I thought this would last a few months actually, maybe a year at most. Little did we know that this was going to be protracted and very costly and time consuming.

And we set out to fight government's irrationality in many ways by uncovering their corruption, by uncovering their propaganda, by fighting back through protest action. And I think the long and short of that first part of that journey was that we got motorists to stand up and be counted and to become defiant against government. In other words, to defy the law of the land on this specific issue, to not pay the e-toll bills and to set in motion one of the most successful civil disobedience campaigns in our new democracy, which was quite young, you know.

We were only 20 years, getting to 20 years old then as the new South Africa. We learned a lot. It was extremely frustrating, but it was extremely rewarding in many respects. And once that court

case was over, the public then asked us, "Well, what are you going to do now?" And we really had to make a decision, do we fight on? And we said we would fight and defend their rights because the courts opened a door for us to do so in the technicalities of this court case that said, you know, OUTA, you've lost this battle because administratively you came late, but you are able to defend the public or the public able to defend themselves in court if they're ever summons for nonpayment.

And we made a pledge to the public that we would defend every single case, and remember there were a million motorists on these roads on a daily basis. And if a million people didn't pay, we were going to be prepared to go and defend if we had the funds, a million court cases. And we set out to do that on one condition, that we had the funds to do so. And we asked the public to get behind this campaign so that we could fight for their rights. And it was a very interesting journey after that.

- So that was your first experience of really taking on the government. Is that something that gave you any risk in your personal life? Were there any repercussions for that fight or, you know, did it all take place through the democratic channels in South Africa?

- Yeah. A very interesting question. We never felt threatened. We knew we were followed. We knew our phones were tapped. Government was trying to find out who was funding us, who was supporting us, I think to a certain extent. They couldn't understand where we were coming from and why we had this energy behind us. But we didn't feel unsafe.

And I must say our ability to get the public on board is as a result of the free press in this country, a strong constitution, the courts that do listen and do work on behalf of the citizen, on small guy and social media. Social media back then, 2010, 2011, 2012, we were able to get our message out there. And we combined all of these with this free press. The press loved the argument because for the first time, while the state capture and the state corruption was getting headlines, here was a group of people who were convincing middle class South Africans to stand up.

And now, if you understand the middle class in South Africa, that fear, they fear being arrested, they fear challenging the law, they fear of having to spend any time and, you know, maybe not having their vehicles licenced 'cause they haven't paid their e-toll bills and so forth. And we have to continuously placate them and make them realise that, you know, the more you stand together on this matter. So I think we felt safe, but we knew we were being watched every step of the way.

- So have you always been a civil activist, you know? Were you involved in, you know, these types of causes at university? Or this, that the e-toll, is something that particularly struck you as a fight you needed to take on?

- Look, I think personally at university, I did stand up. I mean apartheid was really in it rough

stages in the 80s when I was at university. There was a lot of protest action going on and lots of debates. And so, I got quite involved then, I think even from a younger age in school. And then I recall getting into the corporate world and then also challenging the status quo so much that had become stayed and become, you know, old school.

We needed a lot of change in this country. We are having to ask questions as the young guard, why can't we promote people of colour in our businesses? And it was quite interesting and how those debates in the corporate world even panned out. And I think Avis was a progressive organisation and it took the lead on a lot of the stuff. But they were open to good debates and they allowed that. They created an entrepreneurial spirit in the organisation. So yeah, it was nice to be part of an organisation that enabled itself to be challenged and its processes to be challenged.

And I think that gave us the courage to actually stand up to government at the time. I must say though, that our parent company, the Barloworld, was a little bit, you know, they acted with trepidation. The big businesses in this country feared crossing swords with government. They do big procurement projects with government. And government lent heavily on all the big players, the Imperial groups, the Bidvest groups, the Barloworlds, the CMHs, all of these big bodies who owned the car rental and fleet companies were lent on heavily by government to pull out. And that was very disappointing.

And to this day, only now do we see business standing up and challenging government. But it's a bit too little too late because so much damage has been done through this lack of moral courage, this missing in action approach by business as they keep looking away when government makes decisions that are not in the best interest of society.

- So having taken on the e-toll decision, I know the next steps in 2016 was to look to expand the organisation and to change its mandate. Could you tell us a little bit more about that, but also how you then decide what projects and cases to take on?

- Yeah. So we were still a small team then Paul, myself, Michael to tell. There were a couple of us who had started OUTA, made a decision that, well, you know, we were going to now tackle the e-toll decision in another way, and that is to defend individuals. So, we met up with a couple of other people. We really strategized. Good youngsters gave us some ideas and thoughts as to, you know, how to change our own paradigms, which worked because what we did was we learned how to crowdfund this organisation.

We had to become relevant to the citizens, not to business anymore. Business had run away, left us high and dry with a 3 to 4 million rand debt with our lawyers, in a case which we were led to believe was a million rand before we started out and ended up costing nearly 10 million rand, you know. We learned a lot about the legal industry and how to try and do as much as you can without them. And that I think gave rise to the formula that we put together going forward. So what happened in 2015, 2016, as we launched the defence umbrella and told the public, this is

their case and we'll fight for them while we have the funds, we got a lot of questions from the public saying, well, why just this issue? Why aren't you tackling the state corruption? And if you were living in South Africa at the time, 2012, 2013, 2014, Jacob Zuma, our president, and his henchman within the cabinet were headlines, literally on a weekly basis.

And corruption was unfolding at a rapid rate. His homestead in Natal was paid for through taxpayers money, the upgrades to it. The SAA, the chairperson planted there by the president himself, chairperson of his own foundation. There was just so much happening in the way of corruption. We heard him give a speech in 2010 that said they were going to invest 400, sorry 846 billion in infrastructure upgrading. And then what we saw, well we learned more about it afterwards in hindsight, is how they manipulated the financial statements of state own entities by increasing, well, manipulating because the IFRS and accounting principles and laws allowed them to revalue their assets.

But in reality, those assets weren't really at those values. And then government guaranteed bonds that were taken out to build massive infrastructure to our energy sector, Eskom, roads, dams, stadiums for the World Cup Soccer Tournament. The amount of money that was spent in infrastructure was massive over a five year period. But the amount of corruption that took place was massive. And the public said to us, "Why don't you get involved in also tackling corruption?" And we made that decision again, on the basis that if we had the funds, we would do so because we wanted to make sure we could employ professional people.

We didn't want to make law firms rich. We wanted to employ our own legal team so we could build cases fast and cheap. We could work with whistleblowers, we'd introduce investigators, put a good proper organisational structure together with good governance. And we had set up a corruption fighting team that operated professionally. And if we could pay them market related salaries, and we had the funds to do so, we'll go out and fight corruption in this country on behalf of the citizens. And within a year to two years, we took our team from a three person team to 45, 50 people.

We are still at that level now and we've taken on another 170 projects in that period, that four year period, some very quick, some taking years. And we've had a lot of fun I must say, even though we are working in a very frustrating and depressing environment of corruption, there's short certainly no shortage of work. And we really enjoy the work because what we know that the impact we have saves money for the country and that money is allowed to flow to where it should, where you can alleviate the pressure on the poorest of the poor in this country because they suffer the most when corrupt funds are taken out the system.

- So, I want to ask you about an obvious topic for any South African on the phone and one that anybody who's visited South Africa in the last few years is familiar with and frustrated by, which is Eskom. So for those who are not familiar, you know, given South Africa is the most industrialised nation on the continent, the grip of Eskom on their electricity supply, you know, is visible throughout most of the days with the rolling blackouts and the real challenges around the

availability of energy. So Eskom seems like an obvious target for your organisation, but one where I would suspect you have some suggestions on how the situation could be improved.

- Yes. So Eskom is probably the biggest issue that unfolded, but prior to Eskom, Transnet is where Brian Molefe who was the CEO at the time, and Anoj Singh, his CFO in the Transnet, this is the rail-air industry company that is state owned in South Africa. They set out to put some really dodgy deals there with the Chinese locomotive manufacturers. And the Chinese enabled them to take about 9 billion rand, and it's about 20% of the transactions of a 50 billion rand transaction to purchase. Well, altogether, just over 1,000 locomotives. It's a story that we are now writing in Mandarin to the Chinese authorities about. It'll be breaking now, but absolute theft of taxpayers money.

And then what happened is, as he was successful in doing those deals, Brian Molefe was then transferred to be the CEO of Eskom, the energy commission for South Africa. This is the company that that manages eye electricity. It was become a bit of a problem child because it had set out on building two big power stations, coal fired power stations. And lo and behold these coal fired power stations, which around the world cost about an equivalent of 30 billion rand each, we budgeted for 70 billion rand, they are now five years behind time still not finished, and about three to four times more than the price that they set up to build them at.

So again, we saw massive infrastructure build and contracts that just went on and on and build programmes that just never ended. And again, we would see companies like Hitachi, which we saw the States had fined them, were investing, allowing the state owned or the political party, the ruling political party here to invest in these companies before they gave them the contracts to build the boilers for these power stations. It was so blatant and so obvious that corruption that was taking place. And so, now today we have at Eskom, an entity that has borrowed a 400 billion rand. It just is in a debt spiral. It cannot keep pace with the change that is required from the conversion or from coal to renewable energies.

So they slowing the whole renewable transition down with lots of barriers put in place by government. It's an absolute mess. So yes, there are many days and many months where we have what we call blackouts that are scheduled just so that we can, you know, try and keep part of the business lights on at any one time of the day as we struggle through day after day sometimes. It has stopped for a while, but it's imminent again. So this is the price of corruption is that your economy starts to become impacted quite heavily when the infrastructure of this nature breaks down and can't keep pace.

- So there is a view amongst some South Africans that unfortunately South Africa is heading the way of a failed state that we have seen across other countries in Africa. What's your take on that position?

- Look, I think the signs, there are definite signs of that. I don't think we are there yet. And I think that the, fortunately the infrastructure in South Africa is well advanced. We got one of the best

banking systems in the world. In fact, when the world went to the economic meltdown in 2008, we were largely spared of that because we had good legislation around lending and not allowing people to get into debt in the way that happened in Europe in the States. So I think we had a lot of things going for us, a good constitution.

We have this free press as we're saying. We have a robust society, you know. I think we're coming out of apartheid, fighting for our rights. We are having to, you know, relive those in a different way, obviously. And now the big scourge is corruption. And I think, you know, fortunately, Cyril Ramaphosa came into power. A lot more should have been done between then, in 2017, 18 and now, two years on. Well, 2019 is when he won the last elections. But we are seeing good signs. We are very close to the National Prosecuting Authorities office.

They are trying to fix a hollowed institution to get the rule of law flowing. And we see that that is starting to take shape. People are now starting to be arrested for corruption in the past. But on the whole, we are in a very bad state. We shouldn't be. Coronavirus has obviously pushed us over the edge to some extent. But I do believe that if we can get this right, and we have a local election next year, that's at the local government level in the municipalities and we can see enough change there. And there's a big appetite for change, for citizens to start introducing greater oversight and accountability of their councillors.

That movement's already started. We are driving a lot of that work as well. I believe that we'll be able to overcome these difficulties. It'll take some time, but this country has just got so much going for it. It really is a beautiful country of beautiful people and we cannot just sit back and do nothing. So while the signs are there of failed states on the way, we're not there yet but we're in a bit of a mess.

- So let's turn to something else in a bit of a mess, South African Airways. So you've commented a lot over the last few weeks on, you know, your opinion that a lot of citizens and taxpayers would I quote, "Call it a day and vote for liquidation." But you have a plan that you'd like to encourage, you know, that the government look to. Could you walk us through what you would do with South African Airways?

- Yes. So it was a great airline, made profits. And unfortunately I think for, they introduced the turnaround strategy, 2000 and early 2000s, which sold off most the assets, turned into cash, the cash was blown. They leased them back and I think that was the start of the difficulties for SAA but it was still profitable. It still survived. And then, along came Dudu Myeni, the Chairperson Placed there by Jacob Zuma. And what unfolded there in the five years to 2017 was just again reckless interference, removing management that got in the way of deals that could be done by corrupt officials. It's a state institution that's just got into too much of a hole even before the coronavirus pandemic.

It really was a loss making airline, having to be bailed out by billions of brands of taxpayers money year after year. So, you know, the state is trying to keep this thing alive. And our view is

that, the only way you can keep it alive is to privatise it, is to give a majority shareholder to somebody else, not to government. Government needs to let go the reins. 'Cause if government is in control, it really just has no idea of how to operate a business in a competitive environment. A couple of businesses like this and South Africa owned by the government, armaments manufacturers and so forth.

And we've suggested to government, get out of businesses that are best run by business. Rather become an enabler of good business, competitive business and get on with managing this country and introducing more competence into the management of the country. So SAA right now, it's on its deathbed. They have a business rescue plan. We don't believe it's going to, and the unions are fighting and it's just an absolute mess. It's costing us a lot of money every day.

- Do you believe it's a strategic priority for South Africa to have its own airline?

- No, it's not. Not at all. The skies are open. One thing thing we do know, if you open the skies and the free market processes flow, you'll get cheap flights in and out of South Africa. I think it's a bit of a vanity project to want to see the South African flag on the tail of an airline around the world. Many countries have relinquished that requirement and need, Italian, Portuguese Airlines. We don't need an airline. We need airlines to fly into and out of South Africa at the cheapest possible rate to bring tourists.

Yeah, it's an amazing country. And we don't need an airline that's not competitive. So the quicker SAA moves over and allows the free market process to flow, the quicker we'll get cheaper flights in here, more tourists, and that's creates more jobs. Some politicians think it's a strategic asset, but I just think they don't understand what they mean when they talk like that.

- So you touched on the Ramaphosa era. I wonder if you could compare your fight under the Zuma period to how you now engage in the Ramaphosa period?

- Well, in the Zuma period, we were enemy number one, you know. The authorities just refused to engage with us. They ignored us completely. But that's fine because, you know, we bring the fight in many other ways. We were part of leading one of the biggest civil action marches in February, in April in 2017 across the country. 200,000 people in cities across the country were marching against the Jacob Zuma, the president at the time, against corruption.

Never been done and seen to that extent before, you know, in all sectors of society, not just labour. In the past, protest action of this nature was only seen by labour. This was not labour. This was civil society. And I think the message was getting through, you know. And there was a lot of energy around having to do something different. And we waited for a number of these votes with no confidence. They just didn't quite get there. And our last straw was, well, we'll have to see if the ruling party can come to its senses and vote in a new president.

And Cyril Ramaphosa got in in December, 2017 by the scale of his teeth, and that was supposed to be the start of something big. Now it has been the start of change, but at a far slower pace than we need and that we'd hoped for. So now the authorities do listen, they engage a lot more. We get a lot more airtime in Parliament. OUTA has done a number of presentations in parliament. They are listening. They're welcoming our input. We sit on the anti-corruption forum, the government's anti-corruption strategy forum as we try and develop anti-corruption strategic processes for the country going forward. And I think we are regarded now a little bit more seriously than we were in the past.

They don't want to let that on too much, obviously. But we know that we are being heard a lot more by government. But it doesn't allow us though, to take our foot off the pedal. We are working very hard to expose and put corrupt politicians in jail.

- So talking of corruption and jail time, the Steinhoff international case and Marcus Jooste has been going on now for a number of years. And last month we understood that there may be some progress around that. Could you tell the audience, first of all, a short summary of the case and whether or not you are involved in trying to bring justice? And if not, you know, what do you see as the future?

- Well, the Steinhoff matter is a private institution and it's extremely sad what happened. A lot of investors have lost billions as has happened at Tongaat Hulett and a number of other companies with misreporting on their financial matters in South Africa. Now we have all the checks and balances. We have IRBA, the Independent Regulatory Board of Auditors. We have a good commercial crimes laws and everything. And sadly, government isn't doing what it should be doing. Now, our fighters against the waste of taxpayers money.

And that falls outside our mandate. It doesn't mean to say that we condoned it. What we do is we put government under pressure to do their jobs and to bring those perpetrators to book as quickly as possible so that, you know, we can get on with our job and government needs to get on with its job. So we're not at the coalface of those cases, but we watch them with interest. We're very disappointed that the Independent Regulatory Board for Auditors are now just appointed a new CEO who was the Chairperson of the Audit and Compliance Committee of Tongaat Hulett which is implicated in very similar matters to Steinhoff. That's just absurd. So we are putting government under a lot of pressure to remove Ms. Jenitha Johns and to just undo bad decisions like that.

- So do you look at any kind of education process for incoming government officials or government ministers? Because, you know, it's very easy in new democracies to point fingers, but across the African continent, you know, these are people who, you know, are fairly early on in their careers in understanding how democracies and government transparency should work. So in addition to tackling some of these cases, do you look to be preventative?

- Yes, certainly. And that's why we do a lot of presentations in parliament. That's the place to go

and provide one's input on how we believe certain policies should be addressed, administered, changed. Recently with the new members of parliament taking office in last year, we printed a booklet, a guideline to, for MPs and gave one to every single one of them, 400 of them, to just give them a view from a civil society point of view of what we expect of them as citizens, how to uphold the rule of law, our constitution and our rights, how to look after citizens interests in parliament.

And I must say, it was well received. We also did a similar match in 2017 where we printed a whole research document because I think the media was so full of what was happening on state capture and Jacob Zuma was still hanging on onto power. And we presented a booklet to members of parliament on the state capture issues around Jacob Zuma in a book called "No Room to Hide: a President Caught in the Act." And we gave them facts about what was going on. And we got a lot of feedback, positive feedback, from Parliament and the MPs about how that booklet and the videos that we put out there with it gave them a good understanding of what was going on because they are really, you know, blinded so often by the chief whips and the political parties that tell them to look away and they don't get to understand the number of the issues.

- So the question is often asked, how does society ensure the greater transparency, the responsibility and the accountability that you are driving for by those who are governing the public finances? So, you know, what do you ask of your civil society and your supporters to help you achieve your goals?

- Well, what we do is, as I said, with many of the projects, we've got these teams, these functional teams of investigators, litigation, case builders. And we've got a methodology that says, we don't want to just be a watchdog. We want to be an attack dog. We want to attack corruption. So we need to have teeth to do that. You need finances so we built a war chest for litigation. And our strategy is to make sure that people who perpetrate the wrongdoings and the crimes is to go after them in their personal capacity.

To do that, you got to lay the charges, bring them to book or lodge complaints with the Public Protector or the various other oversight bodies. So that's the first thing we ask our supporters and the public out there is, give us the information, give us this stuff that, you know exists that people inside these government bodies that have the information to share there with us and then we start building the cases. But before we build the case, our five step methodology is to investigate properly. Get the facts, make sure it's within our mandate, and then engage with the powers, always give them an opportunity to explain themselves, to change their conduct. And that does happen sometimes.

And if they don't, then they fob us off, we go to step three, which is, we expose the issue. We then mobilise protests and get the public more aware and other entities aware. And then we litigate if need be. And we've got to be prepared to go right to the end to lay the charges, so to speak with affidavits and that. And through all of that process, it's an education about exactly

what's happening with every one of our projects, whether it's in the water sector, whether it's in transport, whether it's in energy, education, health. So we've set up these portfolios that mirror government and we've got specialised legal people that know the law and they know citizens' rights. And then we get citizens behind us, we get campaigns going. When government is asking for input on certain new policies, we get them involved in giving their input to government.

So we create this engaging public participative process while at the same time, looking government squarely in the eye and saying, look, if this is the type of conduct that you believe is right for this country, we're going to challenge you. And they are starting to sit up a lot more. What we are also doing now is using technology, disruptive technology to get citizens involved at the local government level to start holding local counsellors to account for the mismanagement of funds that are supposed to be used to running these towns by sharing information and by engaging more meaningfully with local government. So it's a multifaceted approach. I must say, we are learning as we go along.

There's no book for this. It's not like going to open a restaurant or a hotel. This is civil activism on steroids with new ways of doing business, crowdfunded by citizens, employing specialists in areas that reduce our need to employ lawyers and expensive researchers and putting strong cases together. And when you use the media and you expose it well and you've got the facts and you go all the way, it's an amazingly powerful tool that we've been able to build as a civil activist, what we call effective civil intervention tool.

- So how has your engagement changed as social media has become a bigger part of society, you know? Nowadays, first of all, there are eyes everywhere and those eyes are instantaneous, you know. A problem is happening KwaZulu-Natal and everybody knows about it in Cape Town within 45 minutes. So what has that done to the way you operate, but also the way you engage your citizens?

- You know, you have to do this carefully. First of all, I think social media is both a problem and a godsend. It is a problem in that people, the fake news element and the brigade of people that want to undermine you will use social media as much as they can against you as well. And you've got to be very careful who you follow, how you follow, what you're sharing. So I think what we've done is, we've introduced a communications and marketing team. We have six, seven people there. A couple of them are people that work in our supporter relations department, answering a lot of queries.

And then we make sure that we sift through the information that comes our way. We share credible information, we verified that information. We've just done a course today on how to unpack and how to see through misinformation, groups that are being set up to undermine government or the work that civil society is doing. So you got to have the right people. And again, that's part of our team. And part of our strategy was to become professional in the way we communicate. Use social media, use it wisely, use it responsibly.

Do not share unless we know exactly what the source is and how faction it is. But don't be overwhelmed by it. Don't try and do too much because you just get lost. Be meaningful to your followers and supporters. Give them the facts, give them good advice, give them good information and they will support you. Yeah, so we we have about 160,000 I think, followers when I last looked on Facebook and about 60 to 70,000 followers on Twitter in South Africa. These are big numbers for us. And we were a great team. I must say they're well seasoned in the use of social media.

- So I now wanted to turn to the obvious crisis of the day, which is COVID and how the South African government has struggled in its response. You have said that, you know, the whole way through, the importance of tackling corruption, you know, now more than ever, being able to not waste money on corruption, but actually have strong institutions and support your people during this pandemic is key. So what's your advice if the South African government was in front of you about, you know, what they could be doing and also about how they can tackle corruption whilst they're trying to manage a pandemic?

- Yeah, so you know, we were, as I said, economically fragile when the pandemic hit us. And I think we moved quite fast. President was applauded in how we quickly went into the lockdown. And I think initially, it was a bit of a novelty for many. Fortunately for us at OUTA, we were planning to move into a more remote work environment. So we were quite, within a couple of days we were working in the home environment, even our switchboard operating remotely. And we didn't miss a beat in the work. And in fact, I think our speak for everybody who's been in this environment of having to work more digitally.

It isn't what we all thought it would be. It's been extremely stressful, positive stress in that you become very productive more so than ever before. However, certainly in our space, our government in its status, has had to put in place finance plans, both moving funds, which we've been telling them to do for a long time, away from superfluous departments that are meaningless and mispending money. And now unfortunately, that money can't be put to other use. It's going to have to be put to dealing and tackling with the pandemic. We obviously are getting some funds from the International Monetary fund. We've got big donations that are being made as well from around the world and internally.

But 500 billion rand in easing of debt, of taxes to citizens. But having said that, while the plans appear to be robust and well thought out, they have earned along the way. Government has banned taxable revenues such as smoking where the world didn't. There are hidden agendas there. They really have gone about messing around with the economy in a way that they didn't have to and they still don't have to. So we have lost a lot of jobs, unfortunately. And there's a lot of funds that have been given to local government, but we know local government is corrupt. At the local government level, we have what we call cadre deployment.

This is a deployment of people into positions of power in local municipalities that capture a lot of

local municipality funding from rate payers and that money's not going where it should go. So we believe that a lot of money is being wasted in the local government space. And from that is coming the pushback by residents of towns to start realising that they've got to participate more and get involved in managing their own towns, be more productive in oversight. It's something that we haven't done properly in the past because as citizens we take it for granted that our money's going to be well spent. But over the last five years or so, we can see that that's not the case. In fact, most of our municipalities are now bankrupt and there's a lot of fixing to do.

And I think through this, we are going to generate, and OUTA is going to be at the forefront of a network that has been built of organised civil society entities in these towns, both rate payers, non rate payers, poor, rich and so forth to band it together and to introduce best practise in holding local government to account. And if we can seize this opportunity and we can get that right and we can start holding our officials more to account than we've been able to do in the past, and now we need to do that more than ever before, certainly believe that this crisis won't go to waste. The question is, will we pull the country out of the fire before it's too late? And I think, as I said earlier, the local elections, which are about just over a year away are going to be very telling for this country.

- So, now looking at a particular industry, and you just touched on the tobacco industry, there's been a lot of lost taxes in that space. Is that something that you focus on?

- Yeah. Look, I mean it's not really tax abuse, it's just lost opportunity. We can see that the finance minister, Tito Mboweni, is frustrated by that. He's got to balance the books. And he knows very well that there's an illicit trade of tobacco sales taking place. People haven't stopped smoking. Illicit tobacco sales was a problem before in this country under Jacob's Zuma's rule. They pulled away all the good investigations that were taking place. The revenue collectors were doing a great job in fighting the illicit tobacco trade.

State capture freed up that energy and allowed the illicit tobacco trade to continue because there's corruption there. I think politicians were being enriched through that process. Really sick. And so the new guard in SARS are trying everything they can to get back on top of that problem. And while tobacco sales are banned, the legal tobacco sales and banned while illegal ones are flourishing right now. And government is losing millions and millions and millions of rands in tax revenues that they do apply to the sale of tobacco and alcohol. So yeah, it's just sad. It's not specifically our fight, but we do comment on it and we hope that government will come to its senses. We are not advocating for smoking at all. Just the lost taxes are sad.

- So South Africa, in addition to having an Eskom crisis, has had a water crisis for a long time. And you know, when you travel around South Africa, outside of the major cities, it's horrifying to see the lack of available water. And you know, a lot of people feel that, that is due to mismanagement and corruption. Is that an area you have focused on?

- Absolutely, yes. The, Lesotho Highlands Water Project, Lesotho is a country in the middle of

South Africa. You know, mountainous country. We have got agreements with them, good water flow, which is channelled to the cities in South Africa. And there's some of those projects, phase three, two should have been, you know, put under construction probably 10 years ago. We're 10 years behind. So the drought problems are becoming more serious. We saw Cape Town, you know, entered into a drought two years ago. Nearly ran out of water. You know, voted one of the favourite cities of the world for tourism coming close to running out of water.

That's how serious it is. We've had a lot of mismanagement, local municipalities, water boards, all corrupt, all mispending and not planning ahead. And many towns, many towns are without water now in South Africa where, you know, 10 years ago they weren't. The municipalities were not bankrupt 10 years ago. The infrastructure was there. But it all comes down to one thing, and that is planning and maintenance. When you get into a corrupt system of local government and national government, you hold back money that you were going to spend on maintenance and you blow it on other matters which are not necessary spending or you see infrastructures build taking place, but it never finishes because of corruption or mismanagement and maladministration. So sadly a lot of funds.

Some put it as high as 100 billion rand, were well over, sorry, 100 billion rand in the last number of years lost to corruption. And the towns suffer. So water has become a big issue. We are fighting for an independent water regulator now to also hold the government and the minister to account. The ministers have lost control. We have got a green scorpions, these are the police that's supposed to police are water quality issues, both in rivers and tap water quality. And it's just sad to see the degradation and the decline in water quality in this country and our rivers that are being polluted because of raw sewage that's being allowed to flow into.

- So if it's possible to put COVID to one side, which right now obviously seems challenging, what are the priorities for your organisation for the next, you know, 18 to 24 months?

- Well, it's to get local government organised, civil society to become more in tune with what their rights are, how to tackle local government misdemeanours, maladministration and corruption. We are already seeing that a lot of civil society entities in some of our towns are taking control of their own towns now having these councils removed through court processes. And our plan and strategy, is to make sure that they gather the right information to strengthen their cases in court so that we can remove corrupt and inept councillors to make sure that we work with municipalities.

We want to work with civil society to empower them, to give them the skills that they need. Because very often the political game is to put people who are not quite competent into some of these leadership roles so that they can abuse the system. We want to fight for that. A lot of our work's going to take place in that space, but more so in using technology and disruptive platforms to get information so that we can strengthen their cases. That being said, we also focus at a national government level. We've built a lot of cases. We're now working with the NPA and with the authorities to make sure, that's the National Prosecuting Authority, to make sure

that these cases come to fruition.

We're assisting them and we've got an amazing search engine tool with a lot of hard drive information of corrupt people and businesses such as the Gupta leaks, such as the trillion and regiment information. These are hard drives of companies that are involved in corruption. We are helping the National Prosecutor Authorities and the investigators to build strong cases against the perpetrators and against the director generals, against the deputy ministers and ministers. And it's very exciting. We've built very strong cases.

Problem is it's just taking too long. But as I said earlier, we do see the signs of these cases now coming to the fore. That is going to be exciting because when people are held accountable for that that type of conduct in this country, it gives massive hope when the rule of law flows and that's coming.

- So just, just to wrap up, you touched on being crowdfunded. Could you expand a little on what that means? And is all of your funding just from kind of, you know, small dollar crowdfunding options or do you have any big backers? And do you receive any funds from overseas?

- Yeah. So, as I said earlier on, when we started out challenging this government decision, it was a business decision. Business funded us, but we could see they we're very fickle. Felt the pressure of government and ran away. And we realised we had to actually be more relevant to citizens. It's the people, it's you and I that feel the pain of corruption. So, today we are 95% funded by ordinary individual citizens or small businesses, small and medium size enterprises. Our average donation is about 120 rands per month in a debit order process. People can go online. It's quite quick. They sign up.

We've made the signup process simple and easy. And that's worked because it's an incredible how crowdfunding is so powerful, you know. People think, but what's my 100 rand going to do? But if everybody felt like that, well, it's like that saying from Edmond Burke, you know, that, "The biggest mistake is made by the person who gave nothing because he thought he could only give a little." And it's so sad. But when people get it and they say, well, for the price of a couple of cup cups of coffee or a hamburger a month, I would rather give this funds to OUTA. And you pull that together with tens of thousands, which we have, and you can employ 50 people and you can pay your rent and pay your communication costs and do this good work. It's just incredible how we can turn things around.

So that's how it works for us. And you know, people can come online and do that and join up at any one time at our outa.co.za website. And we are very proud and we give newsletters to our supporters. We tell 'em what we are doing. But it works. It's working very well. And amazingly, a lot of people have lost their jobs through COVID. We thought we'd have a big fallout and we haven't. We've managed to retain 94% of our supporters and we are still growing with new supporters. So we are very encouraged. I think we mean something to the public. We are relevant and that's why they continue to fund us. But if we had double the amount of supporters,

we'd have another 50 people and we'd take on another 170 cases.

- Wayne, thank you. I'm going to hand back over to Wendy now just to close up.

- Well, thank you for your time.

- Wayne, thank you for that very educational hour. The role of your organisation in South Africa is crucial. The citizens have been held hostage by corruption, but we hope that in new eras on the way. The role of the press and the courts in supporting this fight is heartening to us all around the world. After COVID, now more than ever, it is crucial that South Africa emerges from this period focusing on tackling corruption. Thank you for all you do for our beautiful country. I agree with you, it is very special with the most wonderful people. Thank you, Carly and thank you, Wayne. And Wayne, keep fighting. We're right behind you.

- Thank you so much.

- Thank you everyone for joining us this afternoon and this evening. And for my British friends and South Africans who are all on this call, goodnight.