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Department:
Economy & Enterprise Development
North West Provincial Government
Republic of South Africa



ZERO TOLERANCE TO FRAUDULENT ACTIVITIES IN NORTH WEST LIQUOR INDUSTRY

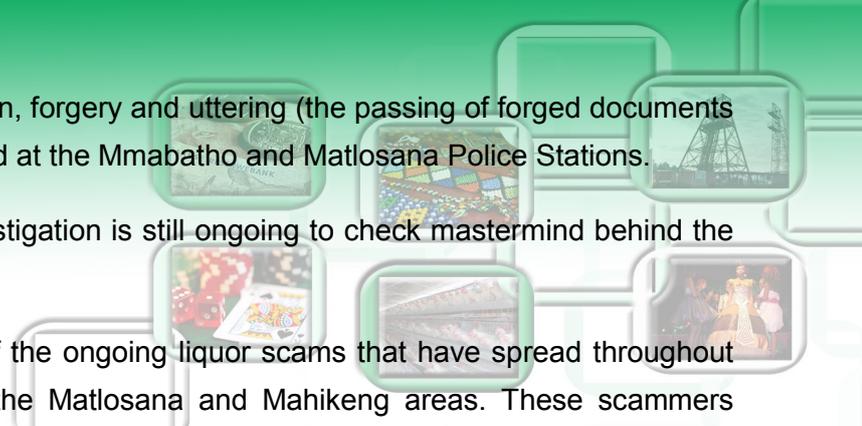
North West Department of Economy and Enterprise Development is shocked at the alarming rate of fraud cases related to the issuing of fraudulent liquor licenses especially in Mahikeng and Matlosana Local Municipalities. The recent cases were of two young men residing from Matlosana and Motlhabeng which one was caught after pretending to be a consultant for the Liquor Board and issued illegal shebeen permits with the fraudulent signature of MEC Wendy Nelson whilst the other impersonated Departmental liquor inspector at Costa's Bottle Store at Mega City, Mahikeng.

"A young man came to our premises claiming to be a liquor inspector from Liquor Board and indicated that he is conducting a liquor compliance inspection. He produced a fake appointment card written "T. C. Khoza: Liquor Inspector and we allowed him to continue with the inspection. He then produced a fake inspection verification form requesting the details of the outlet and proceeded with the alleged inspection. He identified non-compliance which included employment equity, labour relations and proper functioning of security alarm, CCTV system, valid till slips to mention but a few. At the end of the inspection he indicated that based on the non-compliance identified he issued us with two fines amounting R29 500 of which he insisted that we pay R15 000 on the spot. Since we could not afford to pay the requested amount he then solicited an amount of R3000, said Mr Yang, owner of liquor outlet in Mahikeng.

Yang became suspicious of the young man's acts as the Liquor Board inspectors during their routine compliance inspections do not request or solicit any payments of fines instead they issue non-compliance notices.

He secured the young man and came to report the matter to the Department's Liquor Regulation Unit to which he explained what transpired to Ms Khumoetsile Taoana: Director Liquor Regulation and Mr Koos Modise: Minimum Information Security Standards (MISS).

Taoana confirmed that the so called "Tumelo Clement Khoza" is not an employee of the Department. She reiterated that the issuing of fines is done by the South African Police Service (SAPS) in terms of the Liquor Act 27 of 1989. SAPS issue J534 fines of which admission of guilt is paid at local police station or magistrate court. The alleged contraventions that indicated alleged inspection verification form as indicated by Mr Yang does not form part of the requirement as outlined in the Liquor Act 27 of 1989.



Two cases of fraudulent misrepresentation, forgery and uttering (the passing of forged documents with the intention to defraud) were opened at the Mmabatho and Matlosana Police Stations.

Both suspects are incarcerated and investigation is still ongoing to check mastermind behind the scam.

“We urged liquor traders to be vigilant of the ongoing liquor scams that have spread throughout the North West Province especially in the Matlosana and Mahikeng areas. These scammers claim to issue illegal shebeen permits and licenses not approved by the Liquor Board, said Mr Tshikovhi: Head of Department of Economy and Enterprise Development.

Tshikovhi indicated that in the 2018/19 renewals the Department has put strict measures of requesting copies of 2017/18 renewal, original identity document of liquor license holders and in cases of deceased license holders a letter of authority/executorships/administrator/curator is required.

“By these we are trying to curb the illegal activities that we have observed. We have deployed Departmental competent officials in all the four districts of the province to verify and renew liquor licenses as outlined in the Liquor Act 27 of 1989 as amended.

The process of renewal begun on the 1st October and it will run until the 31st December 2018, thereafter January to 28th February 2019, the liquor traders will be expected to pay penalties ranging from 50%-100% of their renewal fees.

The Department urges all liquor license holders operating within the province to renew their licenses timorously to avoid penalties since we are approaching a busy festive period.

ENDS

Issued by Department of Economy and Enterprise Development

For more information please call Ms Dumisa Seshabela