



THE PRESIDENCY: REPUBLIC OF SOUTH AFRICA

Executive Summary REPORT of the Investigative Panel:

Independent Investigation into the
Lady R Cargo Ship in Simonstown
December 2022

4 August 2023

EXECUTIVE SUMMARY
REPORT OF THE
INVESTIGATIVE PANEL

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1. A Russian registered cargo ship known as the Lady R docked at Simonstown between 6 and 9 December 2022. The docking of the ship gave rise to a public controversy which was aired through the media. Many questions were asked of the government to explain the circumstances surrounding the docking both in and outside parliament.
2. In the light of the seriousness of the allegations, the extent of public interest and the impact of the matter on South African international relations, the President appointed an independent Panel of three members to conduct the investigation. The Panel was chaired by Judge PMD Mojapelo. The other members of the Panel were Adv Leah Gcabashe SC and Mr Enver Surty.
3. In order to obtain evidence of relevant information, the Panel relied heavily on letters by the President; it issued public invitations through the Presidential spokesperson, invited and interviewed 47 people under oath or affirmation, received 23 written submissions, containing over 100 documents, and attended the inspection of the scene at Simonstown.
4. A number of other entities and persons that had publicly claimed to have information on this matter, after being invited to make submissions to the Panel, either failed to do so or provided no independent knowledge of the relevant facts.

5. The Panel scrutinized all applicable legislation, including South Africa's strict requirements for the import and export of conventional arms.
6. The Panel established that the goods that were delivered by the Lady R in Simonstown were equipment for the SANDF, which it had requested, had been ordered by Armscor and waited for since 2018. The equipment was ordered from a company based in the United Arab Emirates. They were long overdue.
7. The manufacturing, packaging and delivery of the equipment was delayed amongst others, by the outbreaks of COVID-19 and of the Russia-Ukraine conflict.
8. Neither the SANDF, Armscor or AB Logistics (the division of Armscor responsible for providing logistic freight and travel services to Armscor and the SANDF) had chosen the Lady R as a vehicle for delivery, nor did they have control over the process, in terms of the relevant contractual arrangements. South Africa in fact had no control over the selection of the vessel.
9. Although the Lady R was under U.S. sanctions (which was only discovered by Armscor and AB Logistics in mid-October 2022 when the ship was already on its way), those sanctions had not been endorsed by the United Nations and were therefore not binding on South Africa.
10. The shipping agents at Ngqura/Port Elizabeth, where the ship was at first intended to dock, were unwilling and refused to service the ship as a result of the U.S. sanctions. This only became apparent as the ship was already approaching South African waters.
11. In order to rescue the situation, the SANDF, in collaboration with Armscor and the supplier decided and directed the ship to dock at Simonstown, where the goods/equipment were offloaded.

12. As part of the standard practice in relation to this kind of equipment (specifically in relation to its intended use), the goods were offloaded at night, under cover of darkness. This was during the nights of 7-8 and 8-9 December 2022.
13. The details of the equipment offloaded and its intended use were made known to the Panel. In light of this classified information, the Panel accepted the reasons provided for the decision to offload the equipment at night. This as well as the nature and purpose of the equipment are aspects which may need to be considered when the President decides what may be published.
14. Despite some rumours that some equipment or arms were loaded on the Lady R, the Panel found no evidence to substantiate those claims. Available evidence only confirmed the offloading and that there was nothing loaded.
15. The Panel found that the equipment had not been properly containerised – it was packed in pallets. As a result, containers were brought to the port, empty, by trucks, and the pallets were loaded into the containers on the dock, after which the containers were then loaded on the trucks. On the early morning of 8 December 2022, there were pallets that remained on the quay, with insufficient time to containerise them before dawn broke. These pallets were returned to the ship, awaiting nightfall on 8 December 2022 to be offloaded again and loaded into containers. This was done because leaving the pallets on the quay / dockside during daylight was a security risk; furthermore, the nature of the equipment would be visible to anyone with sight of the dock.
16. The Panel was informed that, as a result of the urgent circumstances in which the docking at Simonstown was procured, and the tracking of the vessel by foreign intelligence agencies, the vessel switched off its

Automatic Identification System (AIS) transponder. The vessel and those who assisted it contravened a number of provisions that relate to commercial vessels docking at South African ports, including SARS designation of a port of entry. The Panel made recommendations in relation to the future management of foreign vessels' docking at South African ports.

17. The Panel also made findings and recommendations relative to the National Conventional Arms Control Committee ('NCACC'), communication between Ministers, government officials, the failure to write reports and to keep the President abreast of matters of national importance.

ENDS