

ARMS PROCUREMENT COMMISSION

Transparency, Accountability and the Rule of Law

PUBLIC HEARINGS

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HEARING ON 13 MARCH 2015

CHAIRPERSON: Thank you. Good morning everybody.

RICHARD MICHAEL MOBERLY YOUNG: (s.u.o.)

ADV SIBEKO: Thank you, Chair and commissioner Musi. Dr Young,
5 when we adjourned yesterday, we were just about to commence with
your dealing with the evidence that Mr Fritz Nortjè has tendered to this
Commission. Do you recall that? Now, you start dealing with that
aspect of your evidence at paragraph 671 of your statement. Do you
have that in front of you?

10 **DR YOUNG:** Yes. Yes, I do.

ADV SIBEKO: Now, it is, you say at 672 it is your intention to respond
fully to Fritz Nortjè's evidence, when you are giving your own evidence.
It is common cause, I think, if one reads your paragraph 671 that, when
Fritz Nortjè gave his evidence, you did not cross-examine him. Is that
15 correct?

DR YOUNG: Yes. I need to say why and that was because I only
received his witness statement and his evidence bundles, after he
completed, giving his evidence and I think, was released from, from
being a witness.

20 **ADV SIBEKO:** So, when he was giving his evidence, you were not
aware of what his evidence was and especially, in so far as it would
relate to you.

DR YOUNG: No. Indeed not, and other, like, other witness, I
suppose, including myself, his witness statement, include, I think, there
25 were two, a witness statement and a supplementary one, were

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extremely, extremely brief. They only really introduced what he was going to say, without any detail, whatsoever.

CHAIRPERSON: I am sorry, Advocate Sibeko. Dr Young, the day that Mr Nortjè testified, you were not here.

5 DR YOUNG: No. I was not.

CHAIRPERSON: Obviously, if you are not here, you cannot cross-examine, because, you know, cross-examine, when you are present, when the evidence is being given.

DR YOUNG: Sorry, is that a question or a statement?

10 CHAIRPERSON: Then, secondly, there was a first date, that was set for Mr Nortjè to testify. We had to defer his testimony to a later date. On both dates, you were not present, at these hearings.

DR YOUNG: Yes. You, you are saying something to me. You are not asking something to me, of me.

15 CHAIRPERSON: Thank you.

ADV SIBEKO: Now, on the days, as the, that Mr Nortjè testified, as the Chairman has pointed out, you were not present. Perhaps it is on record also that you had brought an application to cross-examine Mr Fritz Nortjè. But, you subsequently withdrew that application. Is that
20 right?

DR YOUNG: That is correct, yes.

ADV SIBEKO: Perhaps, let us start with the first paragraph. Why were you not present on any of the days that Fritz Nortjè gave evidence before the Commission?

25 DR YOUNG: Because as I very, very clearly stated to the

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Commission, at least, through Advocate Mdumbe is that I would not be in a position to, to cross-examine, unless I was given the relevant documents and comprehensive witness statements, in advance, as well as the documents that I requested.

5 ADV SIBEKO: Alright. Having dealt with that, perhaps it would help in the progress of these proceedings, if we then go to your paragraph 673 of your statement.

DR YOUNG: Okay. Surely, I would have preferred to have been here and I would have preferred him to be cross-examined. But, there are
10 practicalities. I live a long way away and there had been literally, maybe not hundreds, but dozens of witnesses. Of course, of which, I might have liked to have cross-examined. But, it was just impractical. But, nevertheless, this is a Commission of Inquiry, which is fully recorded and transcribed. I, of course, became aware of the evidence, as
15 formally recorded and transcribed, which, which I will refer, mainly in my response and certainly in the paragraph ahead of us. I think that that is a reasonable manner of dealing with this theme of my evidence.

ADV TSATSAWANE: Sorry, Mr Chairperson, maybe before Mr Sibeko proceeds with his [indistinct]. I just want to place it on that, and we have
20 raised it, with Mr, the evidence leader. We have discussed it with our ...[intervene]

CHAIRPERSON: I am sorry, Sir. Can you first give me your name? From there, try and pick up your voice a little bit.

ADV TSATSAWANE: Thank you, Sir, Commissioner. Kennedy
25 Tsatsawane for the [indistinct]. I represent Armscor. I just want to place

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on record that I have advised the evidence leaders that we have a difficulty with the evidence that is going to be led now. In so far as, it relates to Mr Fritz Nortjè.

The difficulty that we have is that it is not only suggested, in this
5 witness statement, but a positive averment is made that some of the evidence given, by Mr Nortjè is, was made up. A part of the point is this particular point was not mentioned in your cross-examination.

As you have indicated, there was a time, where Dr Young has been given permission to cross-examine. There was a time, when he applied
10 to cross-examine and he withdrew both of his applications. The indication that we have been given, in fact, you may recall Mr Nortjè, to come and deal with some of these issues.

So, we just want to place it on record. We reserve our rights that to the extent that it will be necessary, you may have to recall Mr Nortjè to
15 deal with the allegations that are made against him that his evidence is made up. Thank you, Mr Commissioner.

CHAIRPERSON: Thank you. We have noted that.

ADV SIBEKO: Thank you. Dr Young, you refer to evidence that Mr Nortjè has placed before the Commission, in your paragraph 673. You
20 refer to a page 4915 of the transcript.

DR YOUNG: That is correct, yes.

ADV SIBEKO: Perhaps it, it would help to clarify that your page 4915, or your reference to 4915 is, does not necessarily accord with the transcript, as we have, at present. Is that right?

25 **DR YOUNG:** I did not say that, in respect of Fritz Nortjè's transcript. I

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only said that, in respect of Admiral Kamerman's evidence, because Fritz Nortjè's one, seemed to be printed correctly. I certainly never got that one, in word from Advocate Mdumbe. So, I will just do a quick search here, if I may, on that particular page. So, could you repeat it to me, a four?

ADV SIBEKO: It is 4915.

DR YOUNG: Yes, indeed. I have that page in front of me and I can see, at line 6, Mr Nortjè saying:

"Chair, yes, as long as the expectation of Project Sitron."

10 So, in this particular instance, there was nothing wrong with, at least, the printout of the, the transcript, so I have used that, as it, as it stands, on the Commission's website.

ADV SIBEKO: Alright. What can we deal with, in respect of the quotation you have put on this paragraph of your statement?

15 DR YOUNG: Yes. Of course, I have, as a kind of a sub theme to my whole theme of the IMS. I have used the term legitimate expectation. In fact, I see, Mr Nortjè uses the term expectation, as well. I would like just to say what he said. He says:

"Chair, yes, as long as the expectation of Project Sitron was there, there was something for the local companies to look forward to. It should be borne in mind that as the South African government was investing less money into the industry, so industry got a little nervous themselves, as to how much they should be investing. But, a project like SUVECS, which invested money to keeping the capabilities alive, certainly assisted in giving meaningful work and I say, the people as

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opposed to companies, the people, to keep the people busy and keep them here. But, it also gave a certain signal to industry, who then, to a very large extent co-invested, in keeping the technologies alive.”

And that was, extremely an important point. I have to be frank, that is
5 one of the first times, I have seen that officially recorded. At least, at least, certainly under oath and I think that that is a very relevant point, made by somebody at this, and I say politely, on the other side of the fence, to the points, that I have made in this context.

ADV SIBEKO: You have already dealt, in your evidence, a little bit
10 earlier, before the Commission, as to how this expectation could, was brought about.

DR YOUNG: I have, yes.

ADV SIBEKO: We do not need to traverse that, again. Is that correct?

DR YOUNG: Not if we want to finish in time to catch a plane today.

15 ADV SIBEKO: But, perhaps, just to refresh us and the Commissioners, with regard to the specific documents that we could look at, where it appears, from the documents, issued by the DOD that there has been a nomination, first of all, of ADS to provide a combat suite. That, with the subsystems, relating to the combat suite, there are
20 certain companies that have been either nominated, designated or recommended.

DR YOUNG: That is really true, using the correct term, nominated contractors, in terms of the RFI phase. Candidate suppliers, with only C Square I Square being indicated as a candidate supplier that is in terms
25 of the request for offer base line, including the combat suite user

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requirement specification. But, that is in phase, phase Sitron, what I call round two. But, certainly, in round one and I think, I have, at least addressed, you know, that this was a continuous project. It was just, is, is that the original documents, referring to our company, actually issued
5 by Armscor, the official, you know, manager of the acquisition process and the programme plan, being the document to which I referred in that context.

ADV SIBEKO: Alright. In paragraph 674, you deal with the SMS or the system management system that you have talked about also, earlier in
10 your evidence. In that regard, you referred to another passage of Mr Nortjè's evidence at page 4901 of the transcript.

DR YOUNG: Yes. That is correct.

ADV SIBEKO: What do you wish to address, with regard to the SMS?

DR YOUNG: Okay. You know, my contention is that the, the process
15 was, first, in my view, unfair, probably irregular. Also, that on, at least, the face of things, that we should have won that. So, based, based on price. So, I am just now, trying to say what, one of the initiators of that competitive process was Mr Nortjè himself. So, it is important to put it in context of his own view. Would you like me to carry on?

20 ADV SIBEKO: Yes.

DR YOUNG: Is that alright?

ADV SIBEKO: Yes.

DR YOUNG: Okay. As he says, I am just reading this out, from, from my witness statement. We are not going to the transcript. He says:

25 *"Costs were a major driver for the whole negotiation process."*

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Well, of course, and that was, you will see why, I am coming, with the point that I am coming to, with regarding to costs. In fact, I think, he used the term, in fact, yes, it is in six, paragraph 676. So, if I just may, with all my train in thought that is running here, just go to those very

5 short sentences. So, anyway, clearly, clearly the whole thing with costs is the major starting point, for these competitive quotations. There were only two companies, who were asked to bid and those were ourselves and ADS. Extremely late in the day, 13th to this 15th of April, just one month before the best and final offer phase and that is clearly, because

10 they were not getting ahead, even in the negotiation process, of getting prices down. In the context, they had already solicited two prices from ADS for the SMS one, the R64 million odd. I think the other one was in the 40's. I think it was 48. It was in the 40's. Anyway, clearly, as he himself says, I do not have, unfortunately, a page number, but I think it

15 carries on from the previous one. I will certainly find, if I am asked to do so. But, clearly, the context is, we were asked to quote, because he says:

"We were also bumping heads with ADS, regarding the price of these particular systems."

20 It is thought, okay, an application, when that is, I think, what I meant there was it is why they went out on competitive tender. It is word that I used yesterday, but to show that the, the other member of the project executive, being the project officer was, as they say in legal speak, on all fours, with his programme manager. He says, unfortunately, I have

25 got a page XX here. I am sorry about that. But, it is, we are coming to

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his evidence a little bit later, after this. He says:

“Well in summary, he was saying that we had gone out on tender for the SMS, which was correct. [Indistinct] price was simply untenable and we did not accept it for it was not value for money. So (the important point here) so we called their bluff and we said okay, well, we will go out to tender for this, internal tender [indistinct] provide your offers to us, by 16th of April, against a specification, which we wrote and we subtracted out of that specification to make it a cheaper option for us. Some of the non-essential items from what we had, either to consider being part and parcel of the SMS in terms of technical scope. “

So, that accords, more or less, identically. Of course, there is one is one mistake and it seems to me small. But, it is fairly fundamental is he said, here he says under oath, it might be a mistake. He says:

“Provide your offers to us, by the 16th of April.”

That is incorrect, because by the 15th of April. That was important, because this was a competitive tender, with a deadline of five o'clock, Johannesburg time, on the 15th. Allowing it to happen, because allow, in my view, and other people's view, our price to, to get to ADS and allow them to decrease their price, in such a manner, [indistinct] manner, of course. It was not directly less than ours, but still, in some way it was. I think, I will just pause there and let my evidence leader lead me.

ADV SIBEKO: You say that the 16th, or the error, as you point out, of the 16th of April, although small, it might be fundamental. Why do you say that, in relation to the closing date, for which these offers were

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supposed to be handed in?

DR YOUNG: Yes. Well, when there is a competitive tender, and I have traversed the documents, including the, the German Frigate Consortium, actually administered this process, on the JPT, the Joint
5 Project Team's behalf. The, it is the, I think, both the JPT instructed the GFC and the GFC instructed ADS and ourselves to supply a competitive quote, by five o'clock on the 15th, which we both did. Except that they were allowed to reduce their price, extensively on the making of a mistake. But, that does not matter, in my view. Of course, there came
10 all kinds of explanations why, how, and why is it, why fore's and where fore's and how they reduced the price, but they did so. They did so the next day. I have indicated that fact, that letter, or the facsimile, written by Pierre Moynot to, in fact, I think, it is written directly to the Joint Project Team and not necessarily, or it is probably copied to the GFC.
15 But, it is written directly to them and it is actually indicated by Admiral Kamerman. His response is that, yes, they allowed ADS to reduce their price the next day. But, as I have said and also, as Admiral Nic Marais, excuse me, Captain Nic Marais testified in his Section 28, transcript of his interview under oath that our price was specifically made available
20 to, to ADS. Of course, it is a [indistinct] of logic, you know, that they did, they did allow the price to go down. I do not believe that that is correct, in a competitive tender situation. At the very least that there has to be a kind of, well, the JPT and the whole process was quite adapt at best and final offers and, or best and final offers and best and best final offers
25 and multiple rounds. So, at the very least, they could have, there should

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have been another fair, fair and transparent round of tendering, if that was going to be allowed.

ADV SIBEKO: So, when the, when ADS was allowed to submit a different offer on the 16th, your company was not invited to do the same.

5 DR YOUNG: We certainly were not. In fact, we never even heard, we never even heard from the GFC or the JPT or anybody again, until, in fact, I, in the context of the IMS mainly, I produced a document, written by the chief, the Director of Naval Acquisition, Admiral Van Der Schyff. Only much, much later than this, it might even have been more than a
10 year later, only on our direct enquiries did we ever even find out, what happened to our quotation. Let alone that it was not even accepted.

ADV SIBEKO: Now, turning to the next paragraph. Going forward, you mention what Nortjè says. No references made, to the page of the record, where he says:

15 *“As I mentioned that was one of the lower level and the strategically less important items of the combat suite in the integration part.”*

What do you refer to here?

DR YOUNG: Sorry, I am just doing a search for as I mentioned and I got another one. It probably was not the best key words to search for.
20 But, I lifted these words straight out of a nice clean digital version of this transcript, so hopefully it is correct. Nevertheless, be that as it may, what, unfortunately, you know, these are Fritz Nortjè’s words and as I have used them, they do not mean, you know, anything specific, unless I explain what that means. But, I think, I did, at least, traverse this fact,
25 regarding the SMS. At risk of analysing the, the written evidence for us,

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it goes to the point of the so-called risk of, that was, that was identified in the SMS report, where it says ADS proved to be a lower risk than C Square I Square. But, here, in that context he, he specifically mentioned the SMS is one of the lower level and strategically less important items of the SMS, the integration part. Of course, that accords with what I am saying. They would not have asked us for a competitive quote, unless we were capable of doing it. We never constituted a risk. It is, it is an unreasonable conclusion to make that we constituted a higher risk and therefore, it was a valid selection anyway, based on the criteria of risk, let alone price.

ADV SIBEKO: Now, in the, in the next paragraph, paragraph 679, you make reference to another follow up offer. You refer to his evidence, where he says:

“Unfortunately, the problem areas that I have just identified in the previous offer were not clarified.”

Now, again, in the context of your SMS fee, are there any problems that you are aware of that were identified in respect of any offer that your company submitted?

DR YOUNG: No. Here he states quite emphatically although somewhat baldly that, you know, that there were problem areas. But, as I have just testified, that how could that possibly be clarified in our own, unsolicited follow up offer, if these were never identified, in response to either the first offer or the second offer. So, it is an illogical thing to state. As I have also stated, we were only given two days. Both myself and Gerrit Kruger, Kruger, whose name I mentioned yesterday, my co-

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director, at the time, were actually sitting in Germany, in Hamburg, at Blohm and Voss. This whole thing was prepared in two days. It was an extremely comprehensive response, than telephonically, in between our meetings. It was done by my more junior director, Shaun Van Der Walt.

5 Based on that we, and of course, there was some, there was some clarification areas, well, some areas that became only clear to us later, like, the fact that the ADS consol was a fundamental issue in this, the specific recent evidence. But, it was not an absolute requirement. So, we made the follow up quote, I think, just two or three weeks later, where we included our own consoles. But, there was not even, there was not even communication, not even thank you for your quote, or no thank you for your quote, or whatever. So, as I said before, it only was a long time later, before we even knew that our first quote had been rejected and that our second quote was not even entertained.

15 ADV SIBEKO: At paragraph 680 you say:

“Mr Nortjè makes a number of important errors in his evidence, which have a fundamental bearing on the matter.”

One of which appears appears in the quotation:

20 *“I think, during the Technology Retention Project C2I2 subcontracted to ADS on this project, to some extent.”*

What is your comment to that?

DR YOUNG: Well the point is probably two, is that to one side of the coin, it is [indistinct] had, well, actually there are actually three sides to this coin, strange coin, strange situation. But, if we had subcontracted 25 to ADS of course, that would actually put us in a good position to

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compete. It certainly would negate the point I mentioned, earlier and previously about the risk of, the risk of, of and us being higher and the, and ADS was in a best position, but that, if that would be, that would be valid, if the point was true. But, it is not true, at all. We never
5 subcontracted, whatsoever, on the system management system part, at all, at all, at all. He might be getting confused and I will give him the benefit of the doubt. Eventually, there was a subsection of our, our information management system. We are getting a little bit complex. But, it is called the network management component that would have
10 been incorporated into the SMS console. But, only at the, at the full scale development phase, which had not even started, at this stage, at all. In fact, at this quotation stage, it was for Project Sitron. So, the, the past tense is that we had done it, were, it was just a [indistinct], so that is an error. I do not think, I just, maybe I make the, I need to make the
15 point. I am not alleging that Mr Nortjè is making up this part of it. I am just saying he has made a mistake. It is just not true. Okay. But, the other, there is a third side of this coin, colloquially speaking, is that it could be inferred that, and there is another reference that, to a related point of intellectual property. It could be inferred that if we had been
20 working with ADS on this, we would have had insider knowledge of the SMS, which similarly, they had been working on. Okay. But, I am saying it is not true. So, we could not have had any, any insider knowledge or any intellectual property, or anything whatsoever. So, it was just an introduction to that particular theme, the third side of the
25 coin, which we actually come to, under my response to Admiral

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Kammerman's evidence, as well.

ADV SIBEKO: You continue at paragraph 61 that Mr Nortjè very pertinently failes in his evidence and in his report, regarding the selection of the SMS that ADS changed its price, after tender closing
5 date. To what do you attribute this?

DR YOUNG: Sorry, I need to ask you to clarify. To what do I attribute to what?

ADV SIBEKO: The statement you are making in paragraph 68 that Nortjè fails in both his evidence and his report, regarding the selection of
10 the SMS that ADS changed its price, after tendering, after tender closing date.

DR YOUNG: Well, I cannot say that I know every single word of Nortjè's evidence. At least, we know how long that is. It is, the document looks like 401 pages. But, the reason why I want a digital
15 version, so I can search on relevant parts and at least come back to it. It is, I can remember seeing him testify in these proceedings, anything to do with the fact that ADS was allowed the day, 23 hours, after the official closing date of coming back. I think that that is something, first of all, I have ventilated that very issue before. So, it is certainly
20 something to his knowledge. But, the second part is that the, the report, as I have referred to his report, unfortunately, that report, I, I have addressed that as evidence, or introduced the evidence, because it is a discovered document. It does not have a name of an author. But, I do know that it was a report on the selection process for the, it is called the
25 SMS and the NDS. It was submitted to, by then, at least, the General

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Manager of Acquisition, Mr Sipho Tomo, or it might even have been the CEO, by that stage. I think so. I know, in covering memoranda, I suppose they gave a date. But, that is the report, to which, to which I refer. Maybe, for the record, it may not have been a report that he
5 wrote. It might have been written by somebody, called Lewis Matheson, who reported to, to Mr Nortjè. But, maybe I need to say it is a valid report, I have got, of course, of which Mr Nortjè is intimately aware.

ADV SIBEKO: At 682, you say that in so far as it relates to the report, regarding the selection of the SMS and the ADS, [indistinct] surprised
10 that Kamerman does state this fact in his evidence.

DR YOUNG: Yes. He, true, it is correct. He does say it. But, but, as I think we have traversed before, he simply dismisses the fact that they were allowed to adjust their price downwards and thereby beat us. Just on the part of an administrative error. Of course, the whole, from,
15 certainly what I can see, the administrative error is referred to, in ADS's letter, the one dated the 16th, faxed at three minutes past 16h00. But, of course, I think, if, ja, let me say that in their, there my have been other information that, that attached to that letter. I certainly have not seen it. But, from what I can see, it is fairly bald and saying, okay, we made an
20 administrative error, involving the ILS, that is the integrated logistics support part of the VSS, so we took it out. Okay. But, of course, it beggars, or begs, or beggars the question, if, if our price, our main price had actually been higher than ADS's would then, they have actually lowered, lowered their own price? I think that is an extremely, at least, a
25 philosophical, but, but relevant philosophical thing. Would they have

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actually lowered their price, if our one had been higher than theirs, in the first round?

ADV SIBEKO: In fact, that aspect of your evidence, we have traversed and it is dealt with, in the document you referred to earlier. It is RMY
5 89, a letter from ADS, dealing with the reduction of the price. It is a letter dated 16th of April 1998.

DR YOUNG: That is correct, yes.

ADV SIBEKO: Perhaps, just for purposes of the record RMY 89 is at page 1597 in file five. Do you want to deal with that?

10 DR YOUNG: [Indistinct].

ADV SIBEKO: That letter?

DR YOUNG: No, no. Thanks. Yes.

ADV SIBEKO: Now, Commissioners, that was just a reference, for purposes of looking at, at your convenience. We are not dealing with
15 that letter. Now, this brings us to 683 of your statement, paragraph 683, regarding, or dealing with Mr Fritz Nortjè's explanation, regarding one of the problems of your SMS quotation. Do you want to deal with that? Or is this a matter that you have sufficiently traversed?

DR YOUNG: No. I have not dealt with this at all, at all. So, I would
20 certainly like to, to deal with it, if I may.

ADV SIBEKO: Yes. You may.

DR YOUNG: Okay. Mr Nortjè's explanations, I think the explanations are plural here and as far as I remember, that was before this Commission. But, I stand to be corrected, if it was in another, another
25 forum. Is that there were three or four points of why our, our offer was,

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was not acceptable. Other than the direct result of price and price changes and adding up the 12.5 per cent, zero five per cent mark up. The first one is, he claims that one of the items we included was custom furnished equipment, in our quotation. Now, hopefully I have qualified
5 myself as an expert, not only in data buses, but in providing quotations, to the, at least to the Navy, to Armscor on behalf of the Navy. The whole issue of customer furnished equipment is a very relevant and ubiquitous one, where it is relevant. In this particular theme, as I have traversed at some length, we had been dealing with Project Sitron and
10 Project Diodon and Project SUVECS, since, at this stage, six years. So, the SMS had been developed, at great expense, using Navy and Armscor's funding. So, of course, they would have developed a whole lot of software that is intellectual property, mainly. Of course, there would have also been a lot of equipment. I think, I mentioned quite long
15 ago, a thing called the acid register. I certainly was aware of equipment having been purchased, on behalf of Armscor, by ADS for, for the development of the SMS. Now, as I have, it started off, this particular thing, as both Mr Nortjè and Admiral Kamerman have clearly stated and I had, I have quoted them. This whole issue was about price. So, my
20 inclusion of the intellectual property and even the physical tangible things, like, computers, I am just trying to [indistinct], I cannot see. It is actually my printer, over here, it is not touching my computer. If we were going to be winning this project, then ADS would have no direct, meaningful, either the intellectual property, or event the equipment. So,
25 with that view, of getting the lowest price possible, in a competitive bit, it

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was completely valid and completely reasonable and completely normal to include this. Because it would have reduced the, it was to the advantage of the client, the end user, more specifically the end user or the buyer, to do so. But, having done so, as I said, we did this all in two

5 days, via telephone, in those days we never had the same communication. We did have cell phones, in those days. But, this was all done, by cell phone, from Germany. You can say at great, great expense for international calls. But, issues like, [indistinct] were included bona fide, in good faith. If there is a point of contention, why

10 was this never ever discussed with us? In fact, why does it only come out now, 15 years later? It, as far as I can remember, it was never even addressed at the Public Protector hearings. Although, I would agree that Fritz Nortjè did not testify there. But, it also did not come out with the report that he wrote, to his, to his boss's boss. That is Sipho Tomo.

15 Why did it only come out now? Okay. Clearly, it is because, looking for excuses and now, maybe that is something patent. But, anyway, this is not in, I am not providing the context for an explanation, of why it is relevant. It is in Mr Nortjè's own words, or own documents. Okay. So, I think I have, and of course, the other, the point is that there was

20 software, which is intellectual property. Where you make a copy of this piece of software, it does not cost you that much, so even if, so of course, it could have just been transferred to us. If what I did not know that some of that intellectual property was owned by ADS, which I do not think it did, because I have never seen any reference to it at all. Why

25 were we not just told? No, this is problematic, because ADS did some

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of this work, at their own expense. You cannot divide this piece of software in half and give us half and make us their half. But, just tell us that. They never told that for 16 years. There has to be, there has to be something relevant in that omission. So, I think, I think that the quote
5 under point 12 there, it is specifically with regarding the software part, the intellectual property, in fact, that I did not stipulate at CFE, that is customer furnished equipment. There is which normally, is stuff that costs money and that you can touch. There is another thing, called CFI, which is customer furnished information. There are very little costs in
10 actually making a copy of that. But, that, I stipulated that, I think, clearly as CFI. I think, I have adequately covered that point. I will give myself a break to have some water.

ADV SIBEKO: In your next paragraph 684, you deal with matters, relating to the evidence of Fritz Nortjè, regarding SMS spares. You
15 refer to, I think it is the, the offer or quote you made, which is at, it is RMY 88 and it appears as from page 1555 of file five. That is your document 0403. Perhaps it would assist you, to have a look at that document, in dealing with this aspect of the spares, in your quote.

DR YOUNG: Yes. It will assist me. But, I see it is a 42 page
20 document. So, I will only really refer to it, by way of evidence, which I have tendered and hopefully is on the record, without me, traversing all 42 pages of it. But, I think, what I say in my witness statement and of course, I did this part of my witness statement much, much later. So, I, I have, you know, done it, with a little bit more detail, in the witness
25 statement itself and not just relying on pointing at evidence documents.

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But, if I may start at what Fritz Nortjè says at my paragraph 684 and I see, I have not referenced the right page, because I, or as it can [indistinct], but I took the opportunity of doing a digital search. I found the correct page. I think, yes, page 5164 of the public hearings. So, I
5 see, some of the, at least, some of what I am referring to now, is referenced on that page. I am going to be talking to, talking about the, the paragraph that starts with now console spares and I can see that on that page that I have just mentioned, at line, let us say, it is starting at line 15. It seems it is, he says there at item 10 he said and he quotes:

10 *“This cost estimate includes the material and manufacturing cost for four VMC’s, but excludes console spares.”*

That is, that is where it is. But, what he, what he says, regarding the theme of spares, is now console spares and whatever spares were explicitly asked to be quoted for. The formal quotation figure that we
15 have seen, at the beginning, did not include a price for spares. Therefore, we either had to guess what the spares were and if they indicate as a continuation. I certainly will elaborate if I need. This is simply untrue. Because as my quotation says, under paragraph, oh, no, section 14, it says there explicitly:

20 *“This cost estimate includes onboard spares for four systems and assured of spares for two systems for two years, but excludes commission of spares.”*

Now, I am taking myself back 16 years, but from what I can remember, this is exactly what the GFC’s request for quotation required. That is
25 exactly what we quoted. The particular figures that came out of the

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document, which I think, I have in front of me. Let me see if that is booked marked. No. It is highlighted somewhere. So, I am not going to waste time, to try and [indistinct] now. I will certainly do so, if I am asked to do so. But, that the, the document itself, the actual formal, well, let us say the detailed part of the formal response specifically states item 14, being the log costs. That is logistic cost. Spares per subsystem for two years and that amount there, as quoted exactly is R646 021.00. That is per system. The total log cost, under item 15, spares for subsystems for two years, as R1.938 million. Now, we are not bait to the woodsmen, when it comes to quoting. We certainly, well, we, there are other people better than us, at logistics. But, when it comes to quoting, even spares, we know how to do this. Those were adequate spares for everything, other than the console, which I will come to in the next point.

15 **ADV SIBEKO**: Yes. That is indeed the point, I wanted to put to you, where he says, he states in his evidence that:

“The C Square I Square SMS quotation did not provide for SMS console spares.”

What is your comment to that?

20 **DR YOUNG**: Sorry, I was just trying to gather my own wits there. I did not realise that even, you give me a question, I give you a statement, something far, okay, would you mind repeating that question, so that I do not get things wrong here?

25 **ADV SIBEKO**: Yes. I, I stated, I pointed out that, in fact, in your 686, you referred to Nortjè having stated in his evidence that the C Square I

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Square SMS quotation did not provide for SMS console spares and I asked for your comment to that statement.

DR YOUNG: Yes. Thank you for the, I actually missed the word console there. I, I specifically wanted to address that. Because, as I

5 have just said, we, in our own view, we have provided just under R2 million, excluding VAT for spares, for onboard spare, for commission, well, not for commission on spares. But, for shore spares. What we did not provide for was console, console spares and there is a particular reason. You know, he claims this is a good reason for our exclusion.

10 But, if I may say so, 16 years later and I certainly did not only, I certainly have not put this thought of that now. Is that, at this stage, one of the technical base lines, for the Corvette combat suite, was using a whole lot of things, called standard items. That had been basically, a fundamental point, right from, I think, at least 1995. I will not go into the

15 details, but for logistics and supportability reasons, they wanted us to standardise on all kinds of things, including a special console, developed, certainly the initial version of it, with Navy money for this, for this, or related projects. So, we were quoting the ADS console. Okay. Now, combat suite consists, as we know, of a lot of things. Maybe my

20 memory needs to be corrected, from my memory of the operations room, which was the, basically the heart, or at least the geographic heart and nerve centre of the combat suite, consists of two rows of lots of consoles. I think that there is something, let us say between 12 and 14 consoles. Certainly, I have had already been, never really been

25 allowed on board these vessels, certainly not in this particular time

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frame. But, there are a lot of consoles and all of them, or nearly all of them are based on the ADS console. Now, if there are already 12, whether there is 10 or 20 consoles on board and we have to provide one extra, for the system management system. It does not make any sense, 5 if you are trying to save costs, to now provide explicitly, for spares for that one particular console, when there are already on board, on shore and whatever other spares, for all the other 10, or 11, or 12, or 19, or whatever consoles it is. Of course, we could have even explained that, that we, we could have explained that, that response, like I am 10 explaining now. Or we could have said, okay, well if, now if there is a big difference to you, between 16 consoles and 15, then we will add on a, an apportionate amount and we have done Monte Carlo's statistical analysis of what the chances of failure were and we would have come up with a reasonable figure. Because remember, as I said at the 15 beginning of this point, everything was about saving money. But, bumping heads and calling, calling people's bluff, we were not trying to bluff anybody. We gave a bona fide response and every single aspect of it, was bona fide, in respect of that. We could do it, certainly at that lower cost, based on the provisions, the terms, the technical terms and 20 conditions of our quotation.

ADV SIBEKO: And perhaps, you deal with that aspect differently. Can I ask you to turn your attention to your document 0406, your DT 1 documents, which is our RMY 138, it is at page 2879.

DR YOUNG: Sorry, could you just mention my, my reference number 25 again?

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ADV SIBEKO: It is 0406. Our RMY 138, page 2879. It is in a file, marked file six continued. Have you found the document?

DR YOUNG: Yes. I think we actually found that one earlier and that is the one I did not want to refer to in detail. But, that is the, our
5 quotation. Am I right?

ADV SIBEKO: Yes. It is the, there is something I need to do here, draw your attention to, on that page. It is in a file marked file six continued. File six continued, page 2879. Alright. Dr Young, you will see that the first page of that document, it is a, at least, it appears to be
10 a fax cover sheet. To Blohm and Voss dated 15 April 1999. It is addressed to Mr Hector and Mr Korn and it says, the heading there is:

“SMS and NDSS quotes.”

It appears to be signed by Sean Van Der Walt. This is the man, you mentioned, earlier in your evidence, as the person, who prepared the
15 quotation, while you and your other co-director were in Germany. Is that right?

DR YOUNG: That is correct, yes.

ADV SIBEKO: Now, it says here:

*“We have pleasure in providing you with the system management
20 subsystem (SMS) and navigation distribution subsystem (NDSS) offer.
CCII/PROP/054.”*

And it says and I want to place emphasis on that paragraph:

“If you have any queries, please do not hesitate in contacting me.”

Now, the quote, the quote follows thereafter. The quotation follows
25 thereafter. Now, did Blohm and Voss or any other person, subsequent

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to your delivery of this quotation ever make any queries, or sent any queries to him, about deficiencies in your quotation?

DR YOUNG: Certainly not in my memory and I think, I can state, with them, tending towards 100 per cent certainty that there were no come
5 back, no queries, whatsoever. I see, the only, the only come back to us, was many, many months later, when he wanted to know, actually, what was the outcome of our SMS quote. If I may, I think you are talking about what is on that page. Quite, I think, it is worth pointing out, right at the very top, on the semi [indistinct] logo of our company, there is the
10 indicator of JEGK12 and JEGK, I am sure, cannot be anybody, other than Rear Admiral Johnny Kamerman. Now, having dealt with that quotation, you then proceed to deal with the SMS report at, at paragraph 687 of your statement that it, it makes the following:

*“ADS proved to be a lower risk than CClI of getting the task
15 completed as outlined in the above points.”*

Perhaps if you just, perhaps it is of housekeeping, we should mention that the report, perhaps let me take you to the report and see, if it is the correct report. It is your document 1052 and our RMY 87. Now is it
...[intervene]

20 DR YOUNG: That is correct, yes.

ADV SIBEKO: It is a document, we have dealt with previously. It is in file four. It starts at page 1553. Do you confirm that that is the report you are referring to.

DR YOUNG: That is correct, yes.

25 ADV SIBEKO: Now, the sentence you are quoting there, it is the

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sentence that appears under paragraph 6, of our page 1554, which is page 2 of your document.

DR YOUNG: That is correct, yes.

ADV SIBEKO: Now, what comment do you wish to make, with regard
5 to this aspect?

DR YOUNG: The point I need to make is, I would be repeating myself, of the evidence that I traversed, on the theme of the SMS. So, at risk of repeating myself, I think, what is handed in, at 687 is self-explanatory.

10 ADV SIBEKO: Now, would your response also cover the statements that you have set out in your paragraph 688 to 690 of your statement?

DR YOUNG: Yes. I, I think, I think it is a fair, reasonable conclusion to draw from, from the facts, the documented facts, is in the context of the bumping heads of Bryce and, well, even more so, what Admiral
15 Kamerman said, then Captain Kamerman is calling their bluff. Okay. So clearly, that other people, who have been advising us, have the same opinion. So, it is not something I completely, you know, have been a, so, my own personal, subjective, emotional response as well is that we were just used, to bring down ADS's price, over a [indistinct]
20 iteration of their price. I do not think that there is any other conclusion than that. Of course, it is fairly offensive, when one does provide a lower price, I am sorry to say, we did provide a lower price. We did not know about the 12.05 per cent margin that was being added back. It would make it an unfair practice, certainly, in terms of the, the
25 appropriate prerequisite of transparency. But, effectively, our good

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offices, our time and effort was just wasted, to mala fides, when, just bringing down our price, when it was not the intention to give us the contract in any case. So, you know maybe, maybe if we quoted R10 million on a R30 million thing, maybe they would have thought
5 differently. But, our price was R26 million and ADS was R29 million. Then, I think that that was a fair price. I think, the points that I have made, are reasonable ones, to conclude.

ADV SIBEKO: Anything else, you wish to add, other than what appears at 691 and 692 of your statement?

10 DR YOUNG: Yes. What is at 690, I think in the context of the SMS and, and of course the ADS and even, even the IMS. The IMS, we are talking about an issue of, okay, of say R30 million, excluding the famous IMS study at R12 million. Even here, with the SMS, the difference in the eventual price of R29 million, compared to ADS's original R64 million,
15 that is another R30 million. The NDS I have, I have called it these price differences and very, just above this point, but a price of 44, R45 million for the NDS, compared to our original, sorry, not our original, our final price of 50. It is a small, very small potatoes in the greater scheme of things of R2.6 billion and especially, the enormous price for the, the
20 combat management system, the Tavitec of like, somewhere between R320 million, R350 million alone. The, something in the region of R450 million is what Thomson and ADS would be getting for system integration and project. Now, what is further than this, it, other than project management, was as one can see is only alluded to in Pierre
25 Moynot's documents about, in fact, he says, instead of fighting about

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R100 million for project management, whatever, the [indistinct] office, my mother, our mother company's special price. But, there is never any negotiation done in respect of those enormous amounts of R450 million or R350 million. We are concentrating on the smallest of potatoes, 5 being the SMS, the NDS and the IMS. So, something just does not feel right to me here. You know, the only conclusion that I can make is that, whoever it was, wanted Thomson ADS to get this thing and it did not really matter, in the greater scheme of what their prices were. It was only, at the final, the final furlong, when we were negotiating the small 10 potatoes that the larger ones were already well, well embedded. I think, that that a valid point to make.

ADV SIBEKO: That illustration you provide is in paragraph 692 of your statement, relating to the letter, from Thomson Marconi Sonar, vis a vis the price that ADS and Thomson CSF quoted. What points do you wish 15 to drive across here?

DR YOUNG: Well, it is in this context of bumping heads and calling bluffs and concentrating on the smaller price issues, rather than the larger ones. Now, I have talked about it seems to me, on the face of things and only to me, but the evidence of Captain Dick Marais, who 20 was a French, he could speak French fluently. He heard it himself that, but he obviously heard it in French, when it was being discussed. Is that the efforts to maximise the French and specifically the Thomson component of the combat suite. But, here is one, just one example of, of our, of what I do have, in documentary form, of the, the game that 25 was being played, with let us say, I will use the term, the conduct that

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Thomson ADS were using, in this so-called price negotiation, to get down, from R3.9 billion to an expected price of R1.9 billion or R2.1 billion. But, I have mentioned the Thomson Marconi prices. But, here we have a letter in front of us. I think it is ...[intervene]

5 ADV SIBEKO: Perhaps, for purposes of the record, that letter is, I think it is your DT 0383 and our RMY 139, at page 2906, of our file six continued. Yes. You were about to deal with that letter.

DR YOUNG: Yes. I am just actually looking at that, that letter. It is actually, I do not think, the letter that I really want, it was the second one
10 in the series and certainly was from the same person, Dave Coughtrie. But, I do not think that this is the letter that actually has the point that I want to make. It is, it is certainly relevant. But, it was the, I think it was the first one that was, that had a higher impact than this one, although this one still has content, which are interesting.

15 ADV SIBEKO: Alright. You will find that letter and copy for us.

DR YOUNG: Yes. It is on the record. I think we even have, probably, why I did not copy it here, it is because it is a document that I have opened up before. So, if we go back to my, to my written statement itself that contains the words, lifted out of that Thomson Marconi Sonar,
20 so I can certain leave this particular point. Or I can actually address it now, to finish off the point and point out the correct reference at a later stage.

ADV SIBEKO: Yes. You can do that.

DR YOUNG: So, can I, can I, will I, must, must I address the point?

25 ADV SIBEKO: Yes. You can address the point and refer to that letter.

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DR YOUNG: Okay. I think, what is important here is, is this is a graphic documentary indication of what was happening, in the co-called negotiation between a single bid, bid, without a competitive situation. Anyway Dave Coughtrie, hopefully, I have got this pronouncement right, 5 of Thomson Marconi Sonar in the United Kingdom, writes a letter to, to, the letter is written to Thomson CSF, copied to, to ADS, like the second one. He says:

"If I give out lowest and best price (input price to ADS/NCS) then we expose all of your mark ups."

10 Yours being, ADS and Thomson South Africa:

"We, TMS, can only declare that this price excludes the finance factor, the others must remain hidden. If we give your output price to B&v we are lost."

That is Blohm and Voss:

15 *"As the STN price will be much lower than this, because B&V will obviously have covered some of the STN factors. This would also expose the imbalance in the ADS integration for both sonar systems, which will have to be explained to the SAN. I heed you to be very clear and fax me your output price for the hull mounted sonar (that is HMS) to 20 B&V (equipment and logistics) so that I can take the best route. If I am forced to put in a very low price, you will be at risk of exposing both us and yourself to the SAN. I do not understand how this situation has occurred. But the SAN will remove TMS from the competition if we do not comply."*

25 Now, I, I read the figures out in previous documents, when I was

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discussing this point earlier. My understanding was that the price of the sonar was R80 million and there was another reference to a price of R160 million. Maybe the final price was R120 million odd. I think, I have mentioned that. But, nevertheless, this is a clear indication from
5 the inside of that side of the process, of what was going on, in the length and the breadth of the Corvette combat suite price negotiations.

COMMISSIONER MUSI: I am, I am sorry, where does that quotation come, because RMY 139, you will find that it will be here on 2906. I do not find that quotation.

10 **DR YOUNG:** Sorry, I have, as I agreed, I will have to find that particular letter. It is a discovered document and I think it is a, it is a document adduced, in these proceedings. It is a series of two, of which this is the second one. I can either stop what I am doing now and find them, or I can, I can do it, as my evidence leader suggested. I will to it
15 at, at a convenient time.

ADV SIBEKO: Commissioner Musi, we have, in the course of dealing with this aspect, when the witness realised that this is not the correct reference indicated that he will provide the document. We just need to close off this point, for purposes of the proceedings.

20 **COMMISSIONER MUSI:** Thank you.

ADV SIBEKO: Now, Dr Young, having dealt with that aspect, that brings us to the conclusion of your, dealing with Mr Fritz Nortjè's evidence, before the Commission. Is there anything else you wish to add, in fact, before we move to the next witness?

25 **DR YOUNG:** No. I do not, I, I do not think so, in, especially in the

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context of trying to finish today. Of course, I would have liked to address the, the witness statement, you know, in, in a fuller way. But, I think, it suffices, to at least, give an indication of important points, whether they are relevant to my own evidence and also that certainly, 5 certain aspects of Mr Nortjè's evidence are incorrect. It is certainly inconsistent with previous positions, taken by, by Armscor and the Joint Project Team, regarding some of these important issues.

ADV SIBEKO: Yes. Could you then proceed to deal with your next paragraph of the, of your statement, which is 693. The theme address 10 there is Kamerman's evidence to the APC. It starts at 693, page 180 of your statement.

DR YOUNG: That is correct, yes.

ADV SIBEKO: And, and once again, when Admiral Kamerman gave his evidence, before the Commission, you were not present and you did 15 not cross-examine, as a result.

DR YOUNG: That is correct, yes.

ADV SIBEKO: You have also, in that regard, submitted an application to cross-examine him, which you withdrawn subsequently, you withdrew subsequently.

20 DR YOUNG: No. I cannot actually remember whether, maybe it is true. I just cannot remember now. But, I think, had given indications that I wish to do so. But, I actually cannot remember a formal application of doing so and a formal application for withdrawing to do so. I certainly had indicated my, my desire to do so. But, I might be wrong.

25 ADV SIBEKO: And as for purposes of completeness, why, why did

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you not attend the Commission hearings, when Admiral Kamerman was giving his evidence, so as to enable you, to cross-examine him, if you choose to do so?

DR YOUNG: For the same reasons, as with regards to Fritz Nortjè. I had requested the, the witness, the witness statement. As we know, that there was a very, very comprehensive, I think, 105 page witness statement. Of course, he proceeds to giving of oral evidence. Of course, there were a whole bunch of related or relevant documents, which I have been requesting from the DOD, through the Commission, for a long time. Before that, I made it very clear, in my correspondence with the Commission that I needed that, to prepare myself. As things stood, that witness statement that was used for this Commission was only signed at two o'clock, on Sunday, before Admiral Kamerman commenced giving his evidence on the Monday morning. I only received it on the Wednesday. I think, it was the 28th, it and the relevant documents, I, on, the 28th. So, there is no ways that I could have been ready to start cross-examination on Wednesday, the 28th, without any knowledge, whatsoever, of what he is going to testify about.

ADV SIBEKO: Now, you, you have, in the course of giving evidence, dealt with some of the issues, I believe, that were going to address that, as set out in this section of your statement. But, perhaps, it, it might help to just, as you deal with each paragraph, see where is that to which you have dealt with the aspect and perhaps extent to which you wish to expand on that aspect. If you have traversed it sufficiently, you can perhaps skip the, the issue.

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DR YOUNG: Yes. I, I will try to follow that. I probably, it is relevant to point out that the, or quite a lot of the textural part of my witness statement here, was prepared in certainly very, very draft form, by my previous evidence leaders, Advocate Skinner and Advocate Sibiya. I, there I know that they were taking notes. I expected to get those notes, which I never did. I eventually got, whatever I got, was actually in the form of a draft witness statement, which I only got, middle of November last year. So, it is a bit fraught for me, because, if I may say so, it was not really, it, it certainly was not complete. I have tried to go, go thought it, as far as possible. But, if there are errors and just because I signed this witness statement, does not necessarily mean that it is the absolute, the, the be all and end all of my evidence. I will certainly, in this, these, the oral part of my evidence, been able to point out, either the omissions or even errors. I need to say that, at the onset of this part of the evidence.

ADV SIBEKO: Now, at paragraph 694, there you start by saying:

"Kamerman refers to the myth of the influence of Mr Shaik in the workings of the JPT."

Your response thereto?

DR YOUNG: Okay. I was actually re-looking at this, last night, well, it was actually this morning. What I want to say is, it accords with my 694. There are, there are two aspects of this. Okay. As Kamerman says, this is his own words, myth of the influence of Mr Shaik in the workings of, I presume that is a, is a rebuttal of, of what I am on the record, elsewhere of saying. There are actually two aspects of this. One, I do

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not think that I have ever actually alleged that Mr Shaik, that is Chippy Shaik, had detailed, detailed or ongoing influence of the work of the JPT committee or work group. I think, it is quite clear, unfortunately, I seem to have repeated a couple of times. I have quite clearly laid out, in respect of the conflict of interest, where Mr Shaik was influential. It actually starts at the Project Control Board. I do not think I have stated anywhere and I, you know, of course, I have given evidence and with the documentary or oral format, a number of. So, I do not think I have ever made that direct contention. But, there is one particular instance and that is the generics term of the workings of the JPT. Now, we, there is one specific instance, which, which, either Admiral Kamerman has forgotten about, or he elects to omit. That is the evidence, regarding his very own document, co-signed by his [indistinct] of the project executive of the JPT, where he complains in a memorandum. I presume to higher authority, of at least, the acquisition process, where he complains of ADS's and specifically Pierre Moynot and ADS's interactions with Chippy Shaik. He specifically mentions those words, those names and that the price negotiations could not happen in parallel. Now, if it is true and I think it is true that it was the JPT's responsibility to negotiate the scope of work, scope of supply and the price and everything else, of the Corvette combat suite. That was happening, then that certainly is a influence, elicited or otherwise, as I think I have tried to explain, in the workings of the. So, there are actually two responses to that particular point. But, but, anyway, way of summary, it certainly is no myth.

25 ADV SIBEKO: You said, in that paragraph that, in fact, the JIT made

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certain findings in that regard.

DR YOUNG: Yes. The JPT made extremely, well, serious and detailed findings, regarding the scope of the influence, as well as the so-called, well, in their terms, no recusal at all, which I have expanded, is 5 actually incorrect. It is a contravention of his own recorded recusal. But, I think, if I may say, that the JPT certainly did a good start. But, in my own evidence here, I have traversed that influence, the levels of influence in far greater detail.

ADV SIBEKO: By JPT, you are referring to, in your response to my 10 question, is actually the JIT. Is that right?

DR YOUNG: Sorry, are you talking about the JPT, in 694, or otherwise?

ADV SIBEKO: No. In 694, yes.

DR YOUNG: No. I see the term and I think, I specifically used JPT, 15 because that is a quotation from Admiral Kamerman's own evidence and that means the Joint Project Team. But, the JIT is the Joint Investigating Team. Does that answer your question?

ADV SIBEKO: Yes. The question I asked was the JIT made a similar observation, regarding Chippy Shaik's influence on the JPT. That is the 20 question I had asked that I thought you were responding to.

DR YOUNG: It is, yes, that is correct.

ADV SIBEKO: At 696 you say:

"Kamerman also fails to realise the import of Chippy changing the nature of SOFCOM into a decision making body."

25 Now, what do you mean by that?

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DR YOUNG: Well, I think, as I, in some arithmetical detail, described not only the changing of the formula, but also the way that the, the points, in terms of the value system were dealt with. But, as I have, I think, in enough detail, testified that first it was the, the evaluation of

5 best value was done formally, using the formula that, what I call the divisive, or the dividing formula, of military value plus industrial participation, divided by the findings index. That was formally agreed. I think I would not have a, have a problem with saying that that was agreed, correctly. But, it was at SOFCOM, where Chippy Shaik had

10 actually, I think that, certainly his, by way to being advised to me is that he took a proposal to SOFCOM and changed the formula, what I call the additive formula, which is best value, equals military value, plus industrial participation, plus financial index. That was apparently accepted by the SOFCOM, but SOFCOM was only a decision making,

15 so it was not a decision making. It was only a co-ordinating body. Even if it had been, try to constitute it as a formal decision making body, my understanding is that its constitution was never accepted. Of course, SOFCOM does not exist, under MODAC. I think, it only exists under, as, in fact, a derivative of the management committee, or the IOMC, the

20 International Offers Management Committee. They are coming out of 147, in the four stage 147. So, the SOFCOM never had that authority, to make that change of the formula. If one uses the original agreed formula, as well as the correct scored points, specifically in regard of DIP, or defence industrial participation, that Bazan, rather than the GFC

25 would have actually won. I do not think that point has been made, by

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anybody, other than me.

ADV SIBEKO: And you say this point is supported by the German bribery memorandum that you had referred to. Is there anything further, you wish to say?

5 DR YOUNG: Yes. Of course and specifically for the ...[intervene]

CHAIRPERSON: [Indistinct] Advocate Sibeko, you are fading.

ADV SIBEKO: I apologise, Chair. If you say that in your, in that same paragraph that the point you are making is supported by the German bribery memorandum that you have already referred to.

10 DR YOUNG: Yes. That is, that is true. But, just to finish off this point gracefully is, it is clear that almost from every other formal proper selection process that the Germans did not win, whether, in fact, I think Admiral Kamerman refers to four rounds, where the Spanish were the highest bidder. Even at the end of Sitron round two, phase two, the
15 Germans would not have won. So, as, somehow, the so-called quantitative process, for that support of the decision had to have been manipulated and there had to be a reason therefore. I think, the German memorandum is clear enough, in that it says it was, it was not, or Chippy Shaik says it was not easier, it was not easy, to swing the
20 decision from the Spanish to the Germans. Of course, that would support my contention of how the, the, he committee, the committee's only influence that Chippy Shaik had, allowed that to actually happen. Let us say, off the radar of the formal acquisition authorities.

ADV SIBEKO: At paragraph 697 of your statement, you state that:

25 *"Kamerman, when dealing with the issue of the ownership of ADS*

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and my apparent concession that ADS was the only company capable of acting as Naval partner misses the point you are making.”

First of all, what point would you be making? What point are you making that you think, that you state in this [indistinct].

- 5 DR YOUNG: Well, okay, now I am working from memory and, the point that I had made, in a, in fact, I think this is the famous letter, read out, by certainly, the Department of Defence team at SCOPA. It is referred to in Chippy Shaik’s evidence here, as well as, as far as my memory is concerned, it is used by Admiral Kamerman as well. Where I
- 10 acknowledged ADS, as first of all, being the only company that could, could act as this Naval partner to, well, well, for the combat suite. Okay. And also, there is another reference to saying, where I acknowledge ADS as my contractor. But, the point I, I am making is that, only in the context of ADS, Altech Defence Systems, not the French owned, is the
- 15 nominated, the nominated contractor for system integration. So, by that acknowledgement, it does not mean that, that, you know, all, all other endeavours meant that ADS had this exalted position. Sure, at the beginning, they had been involved, at least, up until, from 2000, from 1993 to 1998, at least, they had been involved in Project Sitron. They
- 20 probably even invested a lot of money, as Altech Defence Systems. But, there, you know, the point I am making, sorry, I am belabouring, because this is a difficult theme to deal with, the way that we are dealing with, dealing with it. Is that there could easily have been other contenders to, to ADS, once it was not pre-ordained, in terms of its new
- 25 ownership, by a foreign company, called Thomson. I think, let me just,

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ja, are we gathering ourselves, including myself, gathering myself. Is, as I have said here, in the last point before, of 697, C Square I Square could have taken a major in the system integration, of course, with a partner, like British Aerospace or ST and Atlas, or [indistinct] or even
5 other South African companies. ADS, by itself, had, had, did not, clearly did not have the capability, of doing it, on its own. But, that, that, certainly, my words of saying that they were the company at this particular point, is not, is not putting words in my mouth. To say that that gave them the right, without any competition, or, as, specially as
10 things changed, to, to have this exalted position, of being able to negotiate that enormous price for the combat suite, in a non-competitive situation.

ADV SIBEKO: Now, in the last sentence of that paragraph, you made a comment that:

15 *“ADS, after being taken over by Thomson CSF was no longer a truly South African company.”*

As a result of which, it could not qualify. Perhaps, in the greater scheme of the RFO, where the combat suite was supposed to have been supplied by a South African company. Why do you say that?

20 DR YOUNG: Yes. In its original incarnation, Altech Defence Systems qualify, as a nominated contractor, because it was a truly South African company. It had participated in the project from 1993. It had used a huge amount, several hundreds of millions of rands, I understand, to develop, whatever it was going to supply, both for the strike craft and
25 those subsystems that were also going to be fitted to the, the Corvettes

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as well. So, I think, one can easily say, without, without opposing argument that Altech Defence Systems was truly a South African company. Certainly, as I contended, is that Thomson and we have seen, in terms of their own documents, specifically bought ADS in steps, 5 in order to get the combat suite contract. They did it, in phases of buying 50 per cent in 1998 and another 50 per cent in 1999. Certainly, at one stage, my understanding of, of the, is that they actually bought, Thomson of France, actually bought all of the shares, all of 100 per cent of the shares. So, certainly, at one stage, ADS was a 100 per cent 10 French owned company. Only later, did they then give 20 per cent of it to FBS, and indirectly, well, 30 per cent, I believe it was, it might have been 40 to Thomson CSF, to Thomson CSF (PTY) LTD, which was partly owned by Nkobi Holdings, which actually meant that Nkobi Holdings effectively owned an equivalent 20 per cent. Okay. Sure, one 15 can say that now, 40 per cent is owned by BEE companies, although BEE was not a stipulated requirement of the SDP. So, it means that ...[intervene]

CHAIRPERSON: I am sorry, Advocate Sibeko. Are we not repeating this evidence?

20 **ADV SIBEKO:** Ja ...[intervene]

CHAIRPERSON: Yes, Sir. It is so many times now. I am not quite sure, what is it going to change for you, to be repeating the same evidence. I think, you have said it so many times. Maybe, let us get onto, onto other points.

25 **ADV SIBEKO:** Alright. In 698, there you deal with Admiral

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Kammerman's meeting with you for the first time. Does anything turn on that?

DR YOUNG: Yes. Indeed it does. It just shows a number of things. I have realised, since I wrote this, that it actually comes to another
5 important point, made by Commissioner Musi. Anyway, it also shows that his memory is incorrect. Hopefully, my memory is both correct and would supersede that. But, certainly, one of the important points is that, clearly, if he has forgotten meeting in 1991 and we are only, he only mentioned 1993. I had left ADS. Oh. No. Sorry, I never worked for
10 ADS and them. I worked for UEC Projects, up until January, 31st of January 1992. I actually gave my presentation to the Royal Institute of Naval Architects in December 1991. So, if Admiral Kamerman was correct, in that, only we, well, he certainly is correct, maybe he is correct in that he can only remember me in 1993. Then, he could not be given
15 some of the evidence that we, that he has given to this Commission, from his own personal knowledge, which is what, Commissioner Musi took me on, with respect of, on that particular point. Clearly, if my evidence is correct, well, I will put it this way, if my evidence is correct that he cannot remember. Then, he cannot possibly have any personal
20 knowledge, of either my presentation to RINA, which seems to be such an important point, nor the, the negative way, apparently, according to him, which I will come to certainly, of my leaving of UEC Project in January 1992.

ADV SIBEKO: In the next paragraph 699, you refer to an incorrect
25 assertion, by Kamerman that, in relation to your hostility towards ADS

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and how this had to be carefully managed, to avoid damage to the execution of project, Projects SUVECS and Sitron. Can you comment on that?

DR YOUNG: Yes. Again, of course, this was said under oath. It was
5 said in these proceedings and I think it would be, if it would be within my own personal knowledge of what my relationship with ADS was, at the time. In fact, I, my own personal knowledge of my colleagues' interactions and position with, with ADS was concerned. Okay. I have to, I have to be very frank here, in saying that my personal hostility
10 towards ADS is frankly, absolute unadulterated nonsense. I, certainly I worked there, not as he said, for a short time. I think, it was just under seven years. We carried on working, with ADS very closely, from 1993. In fact, right at 2005, we delivered a working NDS. On board, still working very, very happily today, on board those frigates, and that could
15 not have been done, with any hostility from the managing director, of the company, who takes person involvement in every single one of these issues, almost every single day of my, working day of my life, at least. To this day, I will state that there was no hostility. In fact, I have canvassed this three years ago with somebody, who, who I butted
20 heads with, once or twice, his name is Frank Verhoven. He actually, he actually got the job of branch manager, ahead of me. When I told him this, this is not the first time, this has been, being said. Frank just laughed and he said, but Richard, you were a project manager and it is a project manager's job, to execute their project, which sometimes
25 caused the clash. But, certainly, a clash, a technical clash in a meeting,

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which I think, I can only remember happening twice, in my, in my whole seven years at UEC. I can remember who those people were, maybe three times. Certainly, I cannot remember any, when I worked for C Square I Square and I worked, not every single day, but every month, 5 every two months, we were having long sessions, three day work sessions, in Mount Edgecombe or in Simon's Town. There was never any hostility at all. So, I am afraid to say, I do not know whether it is just a matter of raising of the temperature. But, certainly, it is said, in the context of execution and the damage, of avoiding damage to the 10 execution of Project SUVECS and Project Sitron. So, it is a contextual one. I need to respond to that and my response is that is just not true.

ADV SIBEKO: What about the allegation of historic bad blood, between you and Mr Duncan Hiles, that he has referred to, in his evidence? This you will find in your paragraph 702.

15 DR YOUNG: Yes. You see, I am entitled to, give this testimony, because it comes from my own personal knowledge. Certainly, I suppose Admiral Kamerman may have had, he certainly interacted with Duncan Hiles for a number of years. But, you know, he makes the statement of historic bad blood. So, of course, this must have been 20 extended for a while. But, I can make and of course, the assertion is made, entirely baldly. There is no evidence, whatsoever. Of course, I cannot adduce evidence to back up my contention, when it does not exist. Unfortunately, that is just a simple tint of logic. If it does not exist, I cannot, if I had any evidence of historic bad blood, I would be forced, in 25 terms of my oath to tell the whole truth and I would have done so. But,

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to the, to the contrary, I accuse, well, certainly, in my discovery, I am now trying not to belabour these proceedings, which are already extended. But, anyway, it is complete and utter nonsense. I worked with Mr Duncan Hiles, well I certainly knew him, from the day I joined

5 UEC projects in 1985, sorry Trivets UEC in 1985. He was a departmental manager in Durban. I did not have much to do with him, on a day to day basis. But, he eventually became the branch manager of Cape Town, which I ended up as being, at least, the longest serving member and one of the most senior. I was recommended, just to put

10 this in the context, in almost the final days, after, if I may call him Duncan, was very hurriedly promoted to the managing director, because his boss had also been promoted to Altech head office, in, it might be in Boksburg, but certainly in Gauteng. I was recommended, as one of the three contenders, to take Duncan's place. In fact, he interviewed me for

15 that, for that position, him and Trevor Moore, whose name also comes up in context of he was the personnel manager. Duncan and I had an extremely professional relationship. We were both engineers, but he did an Mba. I will get to it, relate, once small incidence, if I may, just because it shows my, my memory and it is relevant. I think, he was still

20 managing director of this and it was during one of these three day SUVECS technical committee meetings. Fairly in that, it certainly was in the later, later stage, after the end of the day, I was working out to my car, past the, whether, this is Mount Edgecombe, very big premises. It is almost like a campus and he saw me walking to my car, which is a

25 long way away. He walked past me and he just mentioned. So,

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Richard, I see now, we are working together on Project Sitron and Project Diodon, in those days. I said, yes. He said, okay, that is fine. He actually put his arm around my shoulder like this, if I can show and he actually made sure he got into a military step. I think, Duncan was a, 5 a Naval officer, at one stage, with the rank of lieutenant and he said, okay, that is great. Let us, let us march or let us walk step by step together in this, without tripping each other up. That is a small incident. But that, but that demonstrates the way that we worked together with both Duncan and with UEC in general. So, certainly, the historic bad 10 blood is, is wrong in two terms, historically and blood, bad blood. I am afraid, it is just not true.

CHAIRPERSON: Thank you. Maybe, let us break for tea for 20 minutes. Advocate Sibeko, check that this, the witness's statement. Most of the following paragraphs are a repetition. Can we try, as far as 15 we can, to avoid repetition? I have looked at some of these paragraphs. There seems to be repetition. Let us try and see how far we can go, to eliminate repetition [indistinct] at all the specific reason, why I am asking, to repeat particular evidence.

ADV SIBEKO: We will endeavour to do so, Chair.

20 CHAIRPERSON: Thank you. Let us come back after 20 minutes.

(COMMISSION ADJOURNS)

(COMMISSION RESUMES)

CHAIRPERSON: Thank you.

RICHARD MICHAEL MOBERLY YOUNG: (s.u.o.)

25 ADV SIBEKO: Dr Young, just, you, you had dealt with the historical

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bad blood that was alleged, I think, you have dealt with that, comprehensively, I think. But, just one little point, regarding, perhaps the manner in which you left UEC Projects. Were there any difficulties, that would have resulted in a need for mediation between you, or the, 5 yes, you personally and UEC Projects when you left. This is a matter you addressed at paragraph 7 or 8 of your statement.

DR YOUNG: Okay. There are two different points here, which unfortunately, you are mixing up. The mediation, to which you refer has got nothing to do with UEC Projects. It has to do with my involvement in 10 the project, in the project, with people from, from ADS. So, there are actually two different points. The, there is the antagonism issue, as well as the mediation issue. They are two different points.

ADV SIBEKO: But, the, the antagonism issue is, is a matter that you have dealt with [indistinct].

15 DR YOUNG: Yes. But, again, without belabouring the point and I am just now talking from, from memory and I try to keep it short. Is, and I re-read the witness statement early this morning. In fact, I was going to work from that, rather than my own evidence. Of course, that would have taken longer. But, Admiral Kamerman says that there were so 20 many, okay, I need to [indistinct] the point. The, the reason why there is a little bit of confusion here, as I have said, is this Advocate Sibiya, actually drafted the stuff. I tried to fix it up, as far as possible. But, there is not proper continuity between point to point. So, I can now understand why, why there is, there is this mix up. So, I need to 25 address them both. But, what is meant, in the term, the context of

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mediation is when I was working on the project for C Square I Square, in these technical committee meetings and the design advisory committee meeting, to which Admiral Kamerman refers in his evidence. That there were many heated situations, where they, where they would have to stop the meeting and they, I suppose, that is being himself and maybe the project engineer, being Ian Fowler or Fritz Nortjè used to take us outside or take me outside. I am afraid to say, it is completely 100.0 per cent untrue. It never happened on one single occasion, not one. I am sorry, I am not getting upset. I just have to emphasize it. Because it is so, it is so crazy to actually make that statement under oath. It causes, in disparaging terms, it is said specifically, to cast me in a bad light. It just did not happen. In fact, I can only remember two occasions, in that whole project, where the other people got upset. One was in a design advisory committee, where a guy, called Don Van Zyl, a very excitable man, made a, made some, he banged the table very hard and another, another meeting involved somebody, called John Ritchie. It was [indistinct] somewhere, where Kamerman was not involved at all and Lewis Matherson threw John Ritchie out of the meeting on a point of order. But, in all my years that is the only time, I actually saw something happen. The other point I wanted to make is that surely, if this had been an ongoing thing that either I would have been thrown off the project, or somebody, would have written a letter to me, somebody like Pierre Meiring or, or Admiral Howell, or something. But, it is completely bald, this statement, you know. There is no record of it, in a, in minutes of a meeting, that we had to break for five minutes, while Jan and whoever

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got a bucket of cold water thrown over them, to cool them down. It is a, it is just complete rubbish, nonsense, I am sorry.

ADV SIBEKO: Alright. Perhaps one other aspect that you have dealt with, in, in, quite extensively, relates to your, the relationship between
5 your company and BAeSEMA with regard to the IMS. You, you have indicated, in your evidence already that you were invited to, to work with BAeSEMA. Do you recall that?

DR YOUNG: Yes. But, sorry to interrupt you, but, I, there were two points there. It is the mediation point, as well as the antagonism point.
10 That is an important one, I do need to clear that up. You are correct, when you say that the BAeSEMA, it is an issue that has started. If you do not mind, to keep my train of thought, of what is in front of me? If we can just deal with the, the antagonism point.

ADV SIBEKO: Okay.

15 DR YOUNG: Okay. I certainly take the points made, by the Chairperson seriously. But, this particular point of antagonism also, there is a so-called historic bad blood, possibly ends in why I left there and where he says that I left under a cloud, or something. I am afraid that is not only bald. I do not even think it is from his own knowledge,
20 because he has obviously forgotten who I was, between 1991 and 1993, where he met me again. But, be that as it may, as I have said, without, in my evidence here, without traversing every point in detail, I was the longest serving member or at least the Cape Town branch member at this particular stage. I, I, when I joined Trivet UEC, it was as a project
25 engineer in 1985. That in itself was a promotion, from my previous job.

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I had three promotions in that, well, what he calls a short time. But, seven years is not that short, from project engineer to project manager, to departmental manager. As I have said, in the very end, in fact, I was interviewed, just before I went overseas, to give my presentation to

5 RINA. In fact, while I was overseas, the decision was actually made. I was only overseas for, I think a week or so. It was not long. But, I, I do not think that there had been blood, bad blood that was, according to Kamerman's evidence that was known, that I had started my own company. I have acknowledged, in fact, in Public Protector hearings, I

10 acknowledged that I registered the company, as I have stated under oath. I never earned one brass cent, or even did, probably one minutes' work, if that, until the 3rd February 1992. So, unfortunately, not, it is a, it is an incorrect statement. But, if one looks at the logic of it, first of all, it is illogical that, in terms of my promotions and as I have said here, is I

15 think I, every single year I got a salary increase and a performance bonus. In fact, I think I got, [indistinct] promoted three times. I received 12 salary increases in seven years. Each, each was accompanied, by, in words of recommendation, signed by this, the same, very same Mr Howells and his boss, who was known to Admiral Kamerman, Mr Johan

20 Joubert. I think, I think I do need to point out, what is written in my paragraph 607, where Johan Joubert says in his letter of 1990, which is not that long, before I left. He says:

"Dear Richard.

The Cape Town branch (of which I was almost a founder member) has

25 *performed well, during the past year, despite major setbacks, brought*

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about by cuts in the defence budget. I am very aware of the fact that such successful levels of performance can be attributed to the efforts of a number of key people. It is group policy to award performance bonuses, not a matter of course, but in recognition of exceptional contributions, made by individuals to the company's team effort."

I do not need to go further than that. But, by 1990, as far as I can remember, I had registered a company. I had not told anybody about it, because I do not think I needed to tell anybody that I had registered a company, that had a, that reserved the particular name of C Square I Square Systems. I did not operate it. I did not work in it. I did not earn any money. I did not even earn any tax returns, or pay VAT, or whatever. So, as he goes on to say that the company found out about this and that is why I left under a cloud. Okay. That is, that is non-sensical. But, what he also says, in evidence, if it is not here, it is in the Public Protector hearings is that, now, listen to the logic of this, just to show the non-sensicalness of this. Is that he says that the ADS, Thomson legal team would be able to ascertain the existence of my company, because it only took him a couple of minutes to search, now that we are talking about 2001, to search on the registry of companies, for the existence of my company. Now, think of that. What, if they knew that I had a company, of which I was working for and earning money and that caused problems, in, before I resigned in 1991, no, sorry, in January 1992, why did the legal team need to go and search for the company registration details? I am afraid to say, I have done a formal course in logic, at UCT, after I did my Phd. But, I am afraid, it is not a

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cogent argument. In fact, it is complete and utter nonsense. This is patent nonsense that is designed to affect my credibility and Admiral Kamerman's representative is here, Advocate Kuper, talked about reputational damage. That is a polite way of exactly the reasoning why
5 this evidence is being given to, to this forum.

ADV SIBEKO: Now, let us get back to the BAeSEMA the matter, which I had just introduced, before you responded. Now, in the evidence of Admiral Kamerman there is a discussion, relating to your relationship with BAeSEMA and the consequences of that relationship
10 would have had to the South African industry, had BAE [indistinct] and your company been appointed to offer the complete solution, regarding the combat suite. Now, that discussion appears in the transcript, perhaps it, it starts, perhaps relevant portions thereof start at page 6399 of the transcript. Your, your [indistinct] document is 6215.

15 DR YOUNG: Yes. I have my 6215 in front of me.

ADV SIBEKO: Now, if you go to your 6216 and our 6400, for the record and starting at line 13, there is this whole discussion about the South African combat suite and your name is mentioned there. There is a passage that reads:

20 *"There is no doubt at all that British Aerospace or BAeSEMA got wind of that, when they themselves would have gone to the Reutechs and the Grinteks and the Denels to explore co-operation on this alternative combat system and they were obviously given shirt strip. The secondary, of course, is that BAeSEMA probably found out in the
25 intervening weeks that they were dealing with a company of 20 people*

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that had no factory, that could not post performance warranties in a major international competition at all and that certainly would have, let us say, caused them to withdraw.”

Just briefly, what is your comment to that?

5 DR YOUNG: Well, it is all patent nonsense. In fact, it is biggest rubbish I ever heard in my life. Having been involved on the inside of this process, I can say that I say that from insider knowledge. Of course, Admiral Kamerman knew something, of what was going on, at, specifically because we briefed him on that. Even in that context, he
10 does not tell the truth. But, to try to give the, the impression to these proceedings that this idea of BAeSEMA pitching in a competitive way, against Thomson ADS, is just completely, well, that they got the idea from us and that we led this, is, is just untrue in every single respect that one can think of. First of all, as I testified a day or two ago, this is
15 something that they had been interested in, for years and years. In fact, I can tell you that I did not realise the significance, when I gave my RINA presentation in December 1991, a person was there, I did not realise the significance of this, but he came to ask me a question. His name was Chris Courto. He was the same person, who was at SA Navy 75, in
20 1997 and the person, one or two, who requested Armscor, to provide them with documentation about the IMS. But, BAeSEMA had been looking at this opportunity for half a dozen years. As, one, one truthful thing that Admiral Kamerman says is the 20 man company wagging a, in fact, a BAE, it is British Aerospace, it is a bigger company than even
25 Thomson. I think, it has got 300 000 people. So, anyway, it was not my

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idea. I do not intend to traverse every single aspect, of the documentary evidence. But, there is documentary evidence, which I am not sure, whether it is included here, in my witness statement. But, it, it, there is a documentary trial from way back when, at least 1997, where they were not only in contact with our company, but other companies. In fact, there is one letter, I can remember, signed by somebody well known, in our industry, called Eddie Noble, who was a manager of an electronic warfare company, I think Grinaker Electronics, at that stage [indistinct]. Going back, way back when in 1997 of communications between British Aerospace and them, asking whether they were interest in being involved. That is just one piece of documentation that I have. But, anyway, I do know from my personal involvement, every single company, from Reutech, to Grinaker to Denel and smaller companies like [indistinct], for their interest of course. The only company that they did not canvas was ADS, because by this stage ADS was being taken over by Thomson, who was their competitor. Okay. That is, that is one part of it. The other contention to make, that it was British Aerospace, who pulled out of the country, because the negativity that I had generated, with my so-called colleagues, in the industry, then bit me back. It is just completely untrue. The reason is, as I have stated in the one letter written, I think, by Allan Nicolls and Florence of BAE, or, no, or it might have been Richard [indistinct] Richard Southmore, or whatever. Anyway, it was because of the competitive situation. It is nothing whatsoever to do with C Square I Square. I have to pause there. But, I am not finished on this point.

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ADV SIBEKO: Is there anything you want to add? I need to take you to another passage, regarding this BAeSEMA matter.

DR YOUNG: No. I certainly welcome you to take me to the right passage, before I develop verbal diarrhoea.

5 ADV SIBEKO: Now, there, there is a passage at our page 6402 of the transcript and it is your page 6218. That passage starts as from line 14, during the discussion of this relationship between your company and BAeSEMA. It was a proposition put to Admiral Kamerman, by the Chairman, where he makes the following point:

10 *“Let me just get some clarity from the witness. Will I be right to say if Dr Young has succeeded with, had succeeded with his plans, as contained in the letter (that is referred to in that, during the course of their discussion) the entire local industry, as far as the combat suite is concerned would have been compromised?”*

15 And Admiral Kamerman responds:

“Commissioners, yes, not in the final analysis of work that would have been given to some of those South African contractors, but in the main, the entire combat suite was affected, in every instance, particularly the ADS instance that he was proposing to completely displace ADS, a 450
20 *South African manned company for the integration work and the combat management system with a completely British-owned and British-staffed company. The work would have been done in Britain by Britain’s with British technology.”*

Would you like to comment on it?

25 DR YOUNG: Well, other than, almost every single line of that is a lie. I

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seldom use that word in proceedings like that. But, that is the only appropriate word. Because, even on the version of the presentation that was given to him, as I see in his, you know, what he states on the 16th of December, which is correct. I know it, because it was a public holiday,
5 because that is the day that he asked that the presentation be given. It was the only day that he was available. But, in that presentation, as well as, I think the, the letter to which he refers my letter to him, but certainly the presentation of which I have, you know, not, not in the last day or two, is British Aerospace were, were, well, proposing an
10 organisation, called ASM, advanced systems management. In fact, the original incarnation of ASM was not by me. I never started that, at all. I was only invited to join, because I had a thing, called the IMS, which would have been the glue of this combat system that they were proposing and their combat management system, in particular. But, be
15 that as it may, ASM was, was not registered as a PTY LTD company, but as the presentation said, is that it was proposed to be a completely South African solution, other than the technology insertion, or technology injection of British Aerospace's or BAE [indistinct] particulars of combat management system and its technology. But, of course,
20 although they wanted to supply that system, there are two, a couple of important points. First of all, they wanted the IMS, because that was part of the base line. The, they wanted the same architecture, the same, they wanted the same technology. They wanted every single aspect of it, as it met the Naval user requirement specification, as the
25 user, it had the user requirement specification, the programme plans,

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platform requirement specifications. All of those base lines, they wanted to retain. The only thing that they wanted to do, because another thing, it was a competitive situation, where ADS, because ADS Thomson themselves, were taken out the indigenous Project Diamant, Project
5 Callibre and AIS and I believed sea based combat management system, to replace it with the French version. All that BAE wanted to do was to say, well, I see the French technology here. You cannot be pre-ordained, if this is now in divergence from the, at least the, then base line of the British documents and element costing and description. All
10 we want to do is, is compete on an even footing with that. If one also has sight of and I do not, I certainly would like to do it, but I do not think it is necessary, because, because I am under oath here. So, I am hopefully telling the truth. I am doing at least the best, as far as my memory is concerned. Is that all the documentation that is provided,
15 externally to the Navy, in terms of the presentation, provided externally to the GFC, in terms of exactly, precisely the same presentation, I think, was given just before. We, we being me, as part of ASM, with British Aerospace, at this stage, had given that presentation. I think, the only difference is that it says velen dank at the end of it, rather than thank
20 you. That is German for thank you. So, everybody was aware of what the intentions were. Indeed, the, those same presentations and their documentation, to which Admiral Kamerman had access showed, beyond any doubt, whatsoever that the intentions were to include every single aspect of the South African local combat suite, every single part,
25 except, of course, not the AIS and the WECU, which at this stage, had

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actually been kind of rejected by ADS themselves, but the BAE part. So, I think, that covers that particular point. But, I, oh, I was actually looking at something on the previous page, on my 6217, if, if I may address that.

5 ADV SIBEKO: That would be our 6401. What line would that be?

DR YOUNG: I am starting at the second line, it, it says:

“Very suddenly withdrew.”

ADV SIBEKO: Now, the passage you are referring to is at our 6400. Just about line 23:

10 *“Young makes the fact, he makes a direct implication that no, no British Aerospace very, very suddenly withdrew.”*

Is that the passage?

DR YOUNG: Yes. That is true. And ...[intervene]

ADV SIBEKO: Yes. You can continue.

15 DR YOUNG: Well, first of all, it is very true that they suddenly, that they, they extricate themselves within, like 48 hours. The letter that I have put before the Commission proves that. It was a huge surprise and disappointment to us. Of course, it is very, very suspicious of their own, on the record statement, which I, of all of their directors, senior
20 directors saying this is a must win project. Anyway, Admiral Kamerman states here, at the next line:

*“We found it absolutely wrung (but I think it is wrong) to use that word, that he would have concocted an alternative combat suite that would have displaced thousands of South Africans, behind the backs of local
25 industry that he had been working with, very closely for the previous*

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seven, eight, nine years and the consequences of that was that he was certainly cold shouldered by industry thereafter.”

Now, that is the first point I wanted to make. Now, it is just completely, it is just complete nonsense. Because I had, I was a very small part. I was only invited to participate in a smallish way, of course, they, or the small part involving some equity, because they wanted our, our buy in partly maybe in terms of risk. But they were working all of the levels. Every single thing you could think of in the industry, in the Joint Standing Committee and Defence, in the Navy, in Armscor, you name it, they, they were working and nothing, in fact, a lot of the stuff only got to my knowledge, which it did, but after the fact. They were calling the shots. It had nothing, whatsoever to do with me. Certainly, unless Admiral Kamerman knows something that I do not, I was never cold shouldered by the industry. Because there was no, first of all, there is no reason to do so. So, you know, I have been, my small company is surviving here, 16 years later. Right now, we are pitching for Project Hotel, hydrographic survey vessel and Project Byrell, the patrol vessels. I am certainly not seeing any evidence now, as there never has been ever, ever once of any cold shouldering, by the local industry, for the simple reason that it is just not true. Of course, at the end of this particular point, is something extremely, extremely interesting for me, at least, at least from a legitimacy of, or the illegitimacy of my interest in being involved in the legitimacy of making, of, of clearly, as his own evidence states, of, of discouraging this competition. Maybe I need to re-address the sentence:

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“It did not make, it did not in any way affect our intention to include it in our base line, which we did and ADS, apparently took a more mature view of the fact that they had been challenged, but it came to nought and British, BAeSEMA would have no chance in the competition in any event.”

Now, that is fraught, it is absolutely a fraught statement. Okay. The, the base line thing was, of course, the IMS. As we can see, even at this stage, even though the involvement with IMS did not lead, did not upset the correct acquisition authorities enough, to remove us from the base line. That was removed for completely different reasons. But, it is not actually quite true that ADS apparently took a more mature view. They just took a very sneaky view. As their own letter said, they would carry on engaging with us, but without any real intent. But, anyway, what is more important, it did come to nought. But, as he says here, BAeSEMA would have had no chance in the competition in any event. Now, if I may say, how can somebody, in terms of MODAC, in terms of the Constitution imperative of, of competitiveness? How can it be, in terms of the, the Armscor position, put into writing, by the CEO of Armscor, okay, so after this, of asking the GFC to, to [indistinct] instruction, to look for alternative sources of supply? That can only mean competition. There is no other interpretation, whatsoever. So, that clearly, somebody would have been in a position to make sure that BAeSEMA and specifically a South African version of a, of an organisation of another consortium, including BAeSEMA and [indistinct] had absolutely, had no chance. That is a fairly serious statement to make.

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ADV SIBEKO: Now, if one has regard to your points to the passages that I have referred to, plus the evidence you have already tendered to the Commission, with regard to your relationship with BAeSEMA and the, now its anticipation in the bid for the combat suite. Would it be fair
5 to say, that concludes your evidence, with regard to the aspect of BAeSEMA and the evidence tendered by Admiral Kamerman, before the Commission?

DR YOUNG: There certainly, there are other things, but I think I have, I have, at least addressed sufficient of them, to at least, to demonstrate
10 that he is not always correct, of what he has said to this Commission and previous other similar type of bodies. I do not, unfortunately, his evidence, I think, is [indistinct] with the, the witness statement is 108, supported by 785 pages of evidence documents and 299 pages of witness statement. Much of it applies to me, personally. My intention,
15 as I have said, I do not intend to address every single one of these aspects. Just sufficient enough, to show that Admiral Kamerman's evidence cannot be believed, be believed, certainly not in all instances. I think, I have read, in the transcripts of this Commission the reference. I think, I also remember the letter that my former evidence leader, leaders
20 Admiral, oh, Admiral, Advocate Skinner SC and Advocate Sibiya wrote to this Commission, regarding the view of Admiral Kamerman's evidence. I have seen it referred to as stubborn evidence. Okay. My, I think, I have said sufficient to, to negate the view that it can be reviewed as stubborn, certainly not where it affects me in any way, or my, or any
25 of my evidence, regarding any of the points. But, there, of course, there

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is, there is just one other point that you have skipped over and that also involves a, an extremely important point. It was brought up a couple of days of reputational damage. If I may just find, we skipped over it, if I may just search backwards for a particular search term, which I will do,
5 while I switch off this microphone.

CHAIRPERSON: Advocate Sibeko, are we still busy giving evidence? Because I see, the witness is checking is ...[intervene]

ADV SIBEKO: The, the ...[intervene]

CHAIRPERSON: Something else.

10 **ADV SIBEKO:** Yes. There is a reference or search he is doing, with regard to the last point, he says he must make, in his evidence, yes.

CHAIRPERSON: No. Just that I heard him saying that he must search. So, I was not quite sure, whether he is still going to give evidence or not.

15 **ADV SIBEKO:** Yes. He is giving evidence.

CHAIRPERSON: Thank you.

DR YOUNG: Sorry about that, but we have been skipping points there, so I lost my, my train of thought. Sorry. Sorry about that. I, I, we have been skipping various points here and I lost my train here. I have
20 found both the points in my witness statement. It is my point 711, where I regard, where, where I say:

“It is defamatory for Kamerman to suggest that I had (or my own words) stolen ‘Brown’ or ADS’s intellectual property.”

I also refer that, in his own evidence, the transcript of it. It is in my page
25 6176.

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ADV SIBEKO: That, sorry, that will be the transcript page 6360. I, perhaps, before you deal with that, I should just remind you that, I think, a couple of days ago, you, you did give evidence, with regard to intellectual property that was alleged to have been stole.

5 DR YOUNG: Yes. Thank you very much for that reminder. That was in the context of when, just after I left UEC projects and started C Square I Square and on an ethical basis, traversed with the company. I think, we referred to the letter from the personnel director, in fact, he was Trevor Moore. The whole issue of intellectual property and copy
10 right and I think, that letter, as well as my analysis of it, certainly, the evidence was that there was no such intellectual property. If I may say, I left UEC Projects in 1992. That is 23, 24 years ago and never once, in any form whatsoever, whether it has been loose talk in the gents, or at meetings or whatever, certainly not in emails, formally, lawyer's letters,
15 has there ever, ever been the slightest bit of inference that I had done anything, involving copy rights or ADS's intellectual property. So, I was quite interested to read this. It is a pretty serious statement that sits here in front of us. Certainly, if it was accepted and I was not to, to rebut it, it would certainly be damaging to my reputation, as a certainly,
20 as a professional, a professional engineer. Anyway, at the relevant point, Rear Admiral Kamerman is recorded as saying is:

*"He had problems, overall with ADS, because when he had worked at ADS he established his company and started it in a secret way and then he had a major blowout as a result of that with the management of ADS,
25 particularly Mr Duncan Hiles who was still the senior manager*

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responsible during these negotiations several years later, as well as individuals such as Mr Doug Law-Browne (it is spelt with an e) who was a fellow engineering manager with him when these things were happening. Some of Browne's technologies were utilised, let us say for
5 *commercial means."*

Now, of course, this might go into the hallowed ground of interpretation. But, then, I cannot come to any other interpreter is that this difficulty that he is to purporting with me, could have ended up with me stealing Doug Law-Browne's technologies, intellectual property, whatever it is. Now, it
10 is just so bizarre, because first of all it did not happen. Secondly, as a manager there, as he says himself, Doug Law-Brown would not own any technology. So, if he was a manager for UEC Projects or ADS, Altech Defence Systems, or African defence systems. So, such a statement, not only is it bald, it is in such gentle terms it is highly defamatory.

15 ADV SIBEKO: Is there any other passage you want to refer to there?

DR YOUNG: No. I think, I think this is sufficient for the present purposes.

ADV SIBEKO: During the course of your. No, perhaps, before I ask the question. Is there any other aspect of Admiral Kamerman that you
20 want to deal with, before we close off on, on that aspect of your evidence and I have one more aspect I need to canvass with you?

DR YOUNG: No. I would be very pleased if you took me to one more, one more aspect.

ADV SIBEKO: During the course of your testimony, yesterday, you
25 made reference to a Captain Reed in a Section 28 interview, during the

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JIT. Do you recall that?

DR YOUNG: Yes, I did. I need to state that that is a very important point. I thank you for bringing back. But, it is not necessarily, well, it is not at all, in the context of my response to Admiral Kamerman's
5 evidence. It is a self standing point that I brought up, under the theme of irregular decisions made, in the submarine acquisition.

ADV SIBEKO: Yes. I thought my understanding with you was that there is nothing further that you wish to raise, with regard to the evidence of Admiral Kamerman. That is why I went to that point. Are
10 there any other points that you want to traverse, with regard to the evidence of Admiral Kamerman, before we get to that point?

DR YOUNG: No. I would be happy, I would be quite happy to go onto that point you have just mentioned. Except, yes, I would just like a break, while I close down a couple of the documents here, before my, let
15 us say it never happen before, but I would not like it to happen right now.

ADV SIBEKO: Please indicate, once you finished closing those documents [indistinct].

CHAIRPERSON: Advocate Sibeko, should we not perhaps try and
20 help the witness, because I am sure we do not have much more time. I see, he has read through, he did some researching. I though he was coming to give evidence.

ADV SIBEKO: Chair, the witness indicated that he is shutting down some documents. He is not looking for them, so that he can deal with
25 the issue that I had asked him about. He is not looking for a document.

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CHAIRPERSON: He is?

ADV SIBEKO: He is shutting down.

DR YOUNG: Yes. I, I, of course, I think we referred to this document yesterday. It is a statement under oath to a Section 28 interview of
5 Captain Reed. It is a document that was only provided to me, probably today, three, three weeks minus one day ago. I did not have a copy, a digital copy myself. I was downloading this, the beginning of our work here today. That is why I have a digital copy in front of me. But, we did ask Advocate Mdumbe to make 21 copies, including one for me, which I
10 have not seen yet. That was why I was opening up my digital copy, in addition to closing down the, the documents. That was what I was looking for, including the relevant sections, so I can go straight to them.

ADV SIBEKO: Then, what is the relevant section of the document that you downloaded?

15 **DR YOUNG:** Sorry, may I ask, have, have all the relevant parties got their?

ADV SIBEKO: I, I do not think the relevant parties have got all the documents. The file has recently been furnished to us, not all of them. But, I am sure we will make copies available. Can you then just point us
20 to the relevant part?

DR YOUNG: Okay. Well that means that to me that I need to put the document into context. I think, I have just done that partially, starting, I am just, I only have three points to make here. They can only take three or four minutes. But, I am looking at page 2105 of the transcript. Now,
25 this was provided to me, by the Commission, as I said. So, hopefully

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that means it is on the record. I am looking at a scan version of the document, which I would like to read out, so I will not make any mistakes. I am looking at, it looks like the beginning of line 25.

ADV KUPER: Sorry, we are some difficulty in identifying the evidence
5 or the document, to which this witness now seeks to refer. It would be of great [indistinct] to us, if we had something, a little more detail, by way of reference and we have a [indistinct].

ADV SIBEKO: Now, thank you. Mr Kuper, that document that the witness is referring to is entitled, investigating directorate, serious
10 economic offences inquiry, in respect of SANDF, held at the Brooklyn office in Pretoria. Enquiry number 1/4/321/2000, date 2001/08/06. Witness, MR AJC Reed. Chairperson, Mr C Dechampford, Decharmout, office of Auditor General. Examiners Mr K Pather, office of the Auditor General. Mr M Tshiki, office of the Auditor General. On behalf of the
15 witness, Ms C Dryas, head attorney. Mr A Ramjee, State attorney. And the witness is referring to a, you said page, you said page 2105. Is that correct?

DR YOUNG: That is correct, yes.

ADV SIBEKO: What line did you say you are referring to?

20 DR YOUNG: I am referring to, it looks like it is line 30 at the end. So, it looks like line 25, starting with the words:

"We realised at that stage."

ADV SIBEKO: You say it is page 2104?

DR YOUNG: I think I said page 2105.

25 ADV SIBEKO: Alright. You say at line, line 25 it starts with:

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"We realised at that stage that it was going to be a government decision."

DR YOUNG: Yes. I think that is important, in its own light, with, regarding my contentions, regarding the formal acquisition procedure.

5 But, I say here, quoting Admiral Reed, who is the project officer of the submarine. I am giving this evidence, with respect to the theme of my evidence, which says allegations of corruption [indistinct] of submarines. I am not necessarily saying that this is a direct indication of corruption. There is certainly an indicator of the process. Going back to my
10 document, he says that:

"We realised at that stage that it was going to be a government decision, which submarine was going to be purchased and we wanted to make sure that there was a wide range that would be acceptable to the South African Navy."

15 Now, of course, this is a back, back to front acquisition procedure, in terms of MODAC. But, be that as it may, I now come to my next point that is the introduction point to the point I want to make, on that page 2114.

ADV SIBEKO: What line?

20 DR YOUNG: It starts at line 11 and ends at line 19.

ADV SIBEKO: Okay. It says:

*"What, the whole risk report came about at a meeting in Simon's Town, where I felt that the team was not pulling in one direction. Decisions, certain decisions had already been made about firstly, which
25 submarine we were going to get, which combat system we were going*

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to be getting and people were on the team, were still pulling sideways. So, at the meeting, I tried to encourage everybody to live with the decisions that had already been made and if they did not like those decisions, then to let us know about it.”

5 I suppose it is unnecessary for me to analyse the meaning of those words.

ADV SIBEKO: But, you say, these passages must be read, but in the context of your statement, where you deal with allegations of corruption with regard to submarines.

10 DR YOUNG: Ja. Well, that is just a theme. I deal with, with allegations of corruption. But, of course, I deal with the selection process, which is an ally theme in this particular, and this particular point I wanted to make, regards to the legitimacy, or otherwise of the decision for the submarine and the process, which was clearly the one
15 that happened. Not in my words, but in terms of the project officer’s words. I still want to come to just one sentence, but I will pause there for the, the moment.

ADV SIBEKO: Yes. Is that sentence on the same page?

DR YOUNG: No. It is on the, I think it is on the next page, 2115 at, at
20 line, it also looks like a line, about line 15.

ADV SIBEKO: Yes?

DR YOUNG: Okay. It is not as though I am trying to cherry pick. I am trying to give a context, including a chronological context. Because this whole thing is about decisions and about risk reports and process
25 and Captain Reed says here:

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“Because this was still early in the process, it was before the final offers were on the table.”

And hopefully that, my, my inferences are correct there. The point I am trying to make is that the decisions had already been made. So, if I may
5 say so, why bother to go out to a competitive, competitive acquisition process and waste all of those companies' time, when the decision to select the submarine had already been made?

ADV SIBEKO: Now, having dealt with all these aspects that, this will bring the conclusion to the, the something that you had started to deal
10 with yesterday, when we had to look for those transcripts. Is that right?

DR YOUNG: Yes. That is correct. I think, it was, that was actually indicated to me, by my legal team, my evidence leaders. So, yes, it was done. I know why, it is because this document actually came to me so late. We only addressed it in, in paper form. I am glad that is, I think,
15 that is one of the, the, what the evidence leaders do, is they, they lead the witness's evidence.

ADV SIBEKO: Chair and Commissioner Musi, we will ensure that copies of the relevant pages of this transcript and perhaps the entire transcript, just give context to his copy and give them to the very
20 [indistinct] of your teams. Perhaps it would be placed at the end of the last item in file seven and for purposes of administration. Perhaps, just to complete the, this other aspect that, that there was an annexure RMY 139. It is a Thomson Marconi letter that you were going to look for. Did you find it?

25 DR YOUNG: Yes, I did indeed. I the pdf version is in front of me. I

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was just searching for, for the relevant section in my witness statement, if I may.

ADV SIBEKO: You, you will provide a copy of the document, so that we can go into the bundle, so it can accord with what you have quoted
5 in your statement. Is that correct?

DR YOUNG: That is correct.

ADV SIBEKO: And that, for purposes of the record will be marked RMY 139A. That document is dealt with, at your paragraph seven [indistinct].

10 DR YOUNG: 692.

ADV SIBEKO: Yes. 692. Having dealt with these aspects of your testimony, I think, that would bring us to the concluding paragraph of your statement. Is that correct?

DR YOUNG: I have not quite got there yet. But, do you want to take
15 me to the correct number of my statement?

ADV SIBEKO: What paragraph? Do you say 61? What paragraph number are you ...[intervene]

DR YOUNG: Sorry, no, I have been looking for the paragraphs, so I have lost my place, if I can find it quite quickly?

20 ADV SIBEKO: We, we had been dealing with the paragraphs at, perhaps if you go to paragraph 184 of your statement. There are paragraphs there, 710 going forward. The issue, relating to, the allegations, relating to the theft of Browne's or ADS's intellectual properties is dealt with at paragraph 711 of your statement.

25 DR YOUNG: Yes. That is correct.

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ADV SIBEKO: You, you have dealt with that paragraph extensively. At 715, you say it is, well you say, you also do not have input into Feinstein's submission. It seems there was an allegation that, or [indistinct] made by him, or evidence given by him that you contributed
5 to a submission that amplifies that.

DR YOUNG: Yes. I certainly had no input. In fact, I did not even have any visibility of it. I think, I only met him, three times in my life. Once, was after this Commission had been promulgated. It was quite a long time ago. Once was, I think, about five years ago, where he sent
10 me a couple of sentences of his book to proof read. But, otherwise, I have not had any interaction with him, in this regard.

ADV SIBEKO: Now, Dr Young, having read through your seven, paragraph 723 going forward, it, it does appear, as the Chairman has pointed out that the, the paragraphs contained therein, have been dealt
15 with quite extensively in your evidence in the last six, seven days. Do you agree?

DR YOUNG: Yes. I think that is a fair, it is a fair statement to make.

ADV SIBEKO: In fact, going right up to paragraph 751, which deals with the revolving door issue, it does seem we have covered all these
20 quite extensively.

DR YOUNG: Yes. I, I think I would agree with that. I think, there is, I just want to point out one thing we have not discussed, regarding the theme of my response to Admiral Kamerman's evidence right now anyway, is the issue of my attendance at RINA in 1991. I just wanted to
25 point out that there was nothing untoward about this. There was nothing

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untoward whatsoever, about doing it in my company's name. This was all done with the full knowledge of Armscor and the relevant Navy people, at the time. There is documentary evidence to, to show that. I, I agree. I am just pointing this thing of, of this, the context of this
5 particular theme.

ADV SIBEKO: And that part of your evidence, you have dealt with and, and you have referred the Commission to RMY 3 in file one. Do you recall that?

DR YOUNG: Yes. I remember that.

10 ADV SIBEKO: And the slide presentation that you made at that symposium is a document you have included in, in the documents. Perhaps, putting the question differently, there appears to be a registration form. It is your document 0003 and our RMY 140. With regard to what appears at paragraph 743 of your statement. RMY 140
15 is at 2908. Yes. It is at file six continued. Have you found that document, Dr Young? Six continued.

DR YOUNG: Yes. I have got that document in front of me.

ADV SIBEKO: Can you please identify that document for the record?

DR YOUNG: Yes. It is a document signed by me. It is an application
20 form, or, sorry, registration form for NAVTEC 1991, Royal Institute of Naval Architecture, international conference on information technology in warships. I identify myself as an author at this stage. It is all to do with the fact that I could get free entry, instead of paying 450 Pounds Sterling. I identify the applicant for registration as myself and the
25 company as CCII Systems, with the relevant address, at that stage.

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ADV SIBEKO: And in the following paragraphs, you demonstrate, as you have previously in your evidence that there was nothing untoward, in you attending this symposium or conference and Armscor was aware of that. In fact, it seems it was at Armscor's instigation that you did it.

5 DR YOUNG: It was actually the project officer of Project Frizzle, which is the combat suite part of Project Falcon, at that stage, Commander Brian Blackbeard. It was his instigation. His, his opposing part was Anton Jordaan of Armscor, who reported to Pierre Meiring, as far as I know. Pierre Meiring was fully in the loop here, that there is
10 certain documentation from Anton Jordaan that gives me permission to do so. There is documentation from me to him, of explaining the reason why it is, the presentation in terms of it, done in the company. Because as he says himself that I may not, well, indicate the company I work for, UEC projects in those days. I, at this stage, when I prepared the
15 presentation, did the application for registration, I had absolutely no idea that I would be leaving UEC projects, basically, well my application form, I think, was, was it August. No, this one is not dated, but you can see there, it was as early as August of this year and I was leaving. I left at the end of January. So, the Navy was involved, Armscor was involved.
20 My company management were involved, because they approved my airfare and my foreign exchange, et cetera. I am pretty, I am pretty sure, I cannot quite remember this. But, I am pretty sure that if not this very page in front of us, or even a synopsis of my paper, it would have been attached to my overseas, my application for overseas travel.

25 ADV SIBEKO: And with all of that, would, that would really bring us to

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the conclusion section of your statement, right? And having gone through those paragraphs 752 perhaps right up to 774, that really is the summary of what you have set out, in the statement.

DR YOUNG: Yes. If I may, may so, maybe instead of me, not having
5 my own legal team and instead, instead of me finding a legal team quickly or even submitting my own argument, in terms of submission. Maybe this can be dealt with, not now, but it is in lieu of those kinds of submissions and argument.

ADV SIBEKO: Now, at, at your paragraph 775, with its subparagraphs,
10 you suggest what recommendations should be made by the Commission, after the [indistinct] has heard all the evidence and that would be something perhaps that could be dealt with, at the appropriate time. Is that correct?

DR YOUNG: That is correct, yes.

15 ADV SIBEKO: That then, would bring us to paragraph, no, page 198 of your statement and that is the signature page of that statement. Would you agree?

DR YOUNG: Yes. I have a signature page. It might not be the same
20 page number. Because I have been adding in things to this, it is a working document. But, I do have a signature there, with my full, correct name, from the, it is for the transcript as well and the date, in which I completed and signed this document.

ADV SIBEKO: Is there anything else you wish to add to the statement or the evidence that you have given, up to thus far?

25 DR YOUNG: Possibly, only by means of extra information that I do

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not need to address now. I have added on appendix a, which is a recordal of what, what was published in the ANC today, in the hear 2003, 30th of May. I think it is fairly apt for, just as a title for this, for these proceedings. The author, Thabo Mbeki, who was the President at
5 the time, says:

“Our country needs facts, not groundless allegations.”

I am not going to ventilate this at all, other than to say, this was a response to me done and in digital form. I have responded, in terms of my blue text here. You might not see it. Unfortunately, it was, it was not
10 printed in different colours. But, certainly in my version has got paragraphs, written by the author and then my responses. I did this in a little bit of a hurry. So, I did not, maybe use the right inverted commas and indents and whatever else. But, be that as it may, I would be very happy if the, a colour copy would be made to the parties, who are
15 interested in it. But, the other point I wanted to make, is, this has been a tough ask for me. But, if I am responding to the, what the title says of:

“Our country needs facts and not groundless allegations.”

I would certainly hope that what I have, I have certainly tried to do is provide facts, mainly documented facts. As I have stressed right from
20 the beginning is I told my evidence leaders, who were helping me prepare this, as I prefer to place the facts and the documents, not on my documents. Of course, they are my documents, where they are particularly relevant and then other people's documents. Sure, when it comes to the nitty gritty, unfortunately, I am not party to any corruption
25 or irregularities. Of course, the question may be begged, if I was, would

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I be telling the whole truth and nothing but the truth and supplying evidence thereof? I think that that deals with that particular point. It is a couple of pages, because it was a long digital [indistinct]. But, my appendix b was just a, just a place holder, because if time permitted, I

5 did want to address some of the evidence that was given, at a fairly late stage, at least, by Chippy Shaik. I think, because his evidence was given in November, which was just when I was beginning to prepare my witness statement and Fana Hlongwana. I do mention his name. I will be open, open and frank as I am possibly am allowed, in terms of the

10 protection of my sources, which unfortunately, for me is a, or in a fortunate, fortunate in a way is more important than anything else. Sources, who give one information and swear me, the recipient to secrecy, regarding the disclosure that has to take precedence over anything else. But, be that as it may, where I provide evidence, I

15 provide evidence in documentary form and not my own hearsay. But, if there is something that I could add on there, there were just the three other people, whose evidence I have looked at. I want to make some fairly short observations on it. That was, I think, Gerhard Grobler from Armscor, Admiral, Rear Admiral Phillip Schultz from the Navy and very

20 shortly, in context of that Rear Admiral Higgs. I am fairly exhausted. If I do not get, the opportunity to do so, it is not going to kill me. In fact, doing so might kill me. But, if, if people ask me to address this, then there does seem to be enough time to catch even my six o'clock flight tonight. But, I am quite happy to spend some of the time, doing what I

25 can, mainly, unfortunately from memory.

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CHAIRPERSON: Dr Young. I think, I am going to have a difficult job, allowing you to give evidence, without having provided us with the statement. You knew all along that you were supposed to be coming today. One would have expected that you would have prepared the
5 necessary statements. I am going to have serious difficulties of allowing you to try and testify about issues that you have not given us a statement on.

ADV SIBEKO: Do you wish to respond to that?

DR YOUNG: There, there is, unfortunately, the place where I live, at
10 least. It is called reality. There was no way that I could produce this comprehensive witness statement in the 2 000 hours or so that it has taken me, over the last couple of years, to prepare it, with all its complex references to the source documents, which I have, I have been doing for a considerable period of time. Of course, if I may say, it was not and I
15 need to put this on the record, it was not incumbent upon me, to prepare my own witness statement. In 2013, in June, I got a letter, which I put onto the record, via means of my submission that the Commission communicated to me, by its leader of research, Advocate Mdumbe that indeed, the Commission was working on my evidence statement. I will
20 say that my previous evidence leaders Advocate Skinner and Advocate Sibiya insisted that they do my own, my own, well, they did my witness statement and that I would, in legal terms settle. Of course, settle before I signed it, as my own. That only changed on the 25th of November last year, when I was visited ...[intervene]

25 CHAIRPERSON: Dr Young, I am going to make a ruling. I am not

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going to allow you to make such long speeches, which are not going to help us. If you want me to, in order to meet you halfway, what I am prepared to do is that you must prepare a very short statement, about the issues that you want to, to traverse and let us have that statement
5 by next week Wednesday. Then, when you come back for cross-examination, first thing in the morning, we can quickly deal with those things, before, you know, with those issues, before the cross-examination starts.

DR YOUNG: I think ...[intervene]

10 CHAIRPERSON: Will that be good enough?

DR YOUNG: I think, that is a very fair media via, via media and I will certainly endeavour to do so.

CHAIRPERSON: And then, with my suggestion, unless, if at all, there is anybody who has an objection to that?

15 ADV KUPER: None from our side.

ADV TSATSAWANE: No objection from my part.

ADV MDUMBE: I have no objection.

CHAIRPERSON: Thank you.

ADV SIBEKO: No objection from us either.

20 CHAIRPERSON: Thank you. Then, Dr Young, can we have a little short statement, whatever you want to, to prepare, where you can do those issues that you say, you want to, you still want to traverse? And then, we are going to adjourn. We will come back on the 23rd of March and your, we will reserve about five days for you. So, you will have
25 enough time to deal with those few remaining issues. I see here, we will

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be dealing with you, from the 23rd to the 27th of March 2015. So, what we will do that morning is that we will refer, in the morning we will deal with a few issues that you have, that you want to deal with. Then, from there, we will start with the cross-examination.

5 DR YOUNG: Thank you for that. I think, I may say, if I certainly prefer, prepare the statements that I do not think that we will need more than an hour, maybe two, at max. So, we should have the better part of five days, to complete my evidence in total.

CHAIRPERSON: Thank you. Then, secondly, this venue is not going
10 to be available on the 23rd. Apparently there is going to be a council meeting, during that week. We have made alternative arrangements. The alternative arrangements are that we are going to sit at Centurion Council Chambers, which is at corner Rabie and Clifton streets in Lyttleton. They say it is just opposite Unitas Hospital in Centurion. On
15 that day, we will start at nine o'clock. I am sure, also I can make sure that, you know, we take the right routes. We do not have complications about accidents and traffic. Yes. Commissioner Musi is saying, we must all try and avoid accidents. Then, two, we are coming back next week on the 16th. We are supposed to be sitting on the 16th, from the
20 16th to the 20th and I see, or are you in a position to help us, on that day, Advocate Sibeko?

ADV SIBEKO: Chairperson, I, I am not. I believe that Advocate Mdumbe has been making some arrangements with the evidence leaders, who are scheduled to be commencing with the evidence of the
25 manufacturers. Perhaps, he might be the right person to speak to, in

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that regard.

ADV MDUMBE: The next witness will be a representative of ThyssenKrupp Marine Systems. He is scheduled to give evidence on Monday. Details with regard to the other witnesses will be
5 communicated to, to [indistinct] on Monday.

CHAIRPERSON: So, what you are certain about is that ThyssenKrupp will be testifying ...[intervene]

ADV MDUMBE: On Monday.

CHAIRPERSON: Oh. On Monday?

10 ADV MDUMBE: Yes, Chair.

CHAIRPERSON: And the venue is still the same venue. We are not going to Centurion. Same venue, we will only be going to Centurion from the 23rd. Dr Young, will I be right to say that we will see you on the 23rd in Centurion?

15 DR YOUNG: As long as I can avoid all the accidents on the way. I have got a very long way to go. So, I think, it is 300 kilometres other side of Cape Town. So, I would say, only, well, part mainly in jest. But, it is, it is quite an effort to get here. I certainly hope that nothing goes wrong on the way. But, it is my, certainly my intention, doing so.

20 CHAIRPERSON: You are saying you will be travelling 300 kilometres, from where ever you are staying to the airport?

DR YOUNG: That is correct and much of that is on a dirt road as well. So, I say it is quite a mission to get here.

CHAIRPERSON: From what I have gathered, you know, there are
25 very few accidents in that area. So, you are lucky not to miss your flight.

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DR YOUNG: Yes. But, all the accidents there are, actually seem to end in, in people's deaths. So, there are quite a few, actually, not as many, small bumper to bumper accidents, like in Gauteng. We have the serious thing down there.

5 **CHAIRPERSON:** Thank you, then. Okay. We will adjourn until, until Monday.

(COMMISSION ADJOURNS)