



**MEDIA STATEMENT  
FOR IMMEDIATE RELEASE  
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**CONSTITUTIONAL COURT DISMISSES CONTRACTORS' APPEALS ON UNLAWFUL R40  
MILLION BEITBRIDGE BORDER FENCE CONTRACTS**

The Special Investigating Unit (SIU) welcomes two judgments of the Constitutional Court, which have dismissed applications for leave to appeal by Profteam CC and Caledon River Properties (Pty) Ltd t/a Magwa Construction. These applications sought to overturn findings against them regarding the unlawful R40 million contracts for the construction of the Beitbridge border fence between South Africa and Zimbabwe during the COVID-19 National State of Disaster.

In both matters, the Constitutional Court concluded that the applications did not engage in its jurisdiction and refused leave to appeal with costs. These dismissals follow the earlier ruling of the Supreme Court of Appeal (SCA), which, in January 2026, rejected the contractors' bid for reconsideration.

Together, these outcomes close the door to further appeals and cement the findings of the Special Tribunal, High Court, and SCA:

- The R40 million Beitbridge border fence contracts were constitutionally invalid due to procurement irregularities.
- Contractors are not entitled to retain profits from unlawful conduct, but only to reimbursement of reasonable and proven expenses, which are subject to audited accounts.
- The contracts were awarded without a competitive bidding process, in violation of section 217 of the Constitution and Treasury Regulations. The contractors received large advance payments of approximately R21,8 million before any substantial work was performed. Soon after completion, the fence began to fall apart.

In March 2020, during the COVID-19 National State of Disaster, the National Department of Public Works and Infrastructure awarded contracts worth approximately R40.4 million to Caledon River

Properties (Pty) Ltd t/a Magwa Construction and Profteam CC for the construction of a 40 km razor-wire border fence at Beitbridge, between South Africa and Zimbabwe.

In July 2020, President Cyril Ramaphosa authorised the SIU, through Proclamation R.23 of 2020, to investigate COVID-19 procurement. The SIU's investigation revealed procurement irregularities and led to proceedings before the Special Tribunal.

- Special Tribunal (March 2022): Declared the contracts invalid and ordered the contractors to be stripped of profits, limiting recovery to reasonable and proven expenses.
- High Court (December 2023): Dismissed the contractors' appeal and confirmed the Tribunal's order, requiring audited statements and debatement of accounts.
- Supreme Court of Appeal (April 2024): Refused special leave to appeal, finding no prospects of success.
- Supreme Court of Appeal (January 2026): Dismissed the reconsideration application under section 17(2)(f) of the Superior Courts Act, closing the door on any further appeal at the SCA.

The SIU welcomes the Constitutional Court's refusal of leave to appeal as a final affirmation of accountability in this matter. These judgments reinforce the principle that no party may profit from irregular and unlawful procurement, and they vindicate the SIU's mandate to protect public resources.

In line with the Special Investigating Units and Special Tribunals Act 74 of 1996 (SIU Act), the SIU will refer any evidence of criminal conduct uncovered during its investigation to the National Prosecuting Authority (NPA) for further action.

The SIU is also authorised to initiate civil proceedings in the High Court or a Special Tribunal in its name to correct any wrongdoing uncovered during its investigation and to recover financial losses suffered by the State, including funds paid for services not rendered.

**END.**

**Enquiries:**

**Selby Makgotho**

**Spokesperson: Special Investigating Unit**

**Cell: 083 718 6128**

**Email: [SIUMedia@siu.org.za](mailto:SIUMedia@siu.org.za)**

**ISSUED BY THE SPECIAL INVESTIGATING UNIT**