

INVESTIGATIONS DIVISION / OIOS

NOTE to the CASE FILE

(ID/F13-4/96)

Date: 27 Aug 12

ID staff member: Peter A Gallo

Case Number: 0392/12

Subject: **(Anonymous) Report of “Serious Procurement Irregularities” in UNSOA purchase of ‘Mamba’ armoured vehicles**

Complainant alleges “serious procurement irregularities” but apart from knowing the contract numbers - open source - does not disclose anything that would indicate insight into procurement process.

Complainant alleges “*These APC’s should be mature, proven products, with a sound technical design backed by extensive testing and proven field experience.*”

Comment: This is not logical, it is eminently possible that a new vehicle offered for sale offers better protection than something that has been on the market for some time.

Complainant states: “*If the UN would investigate the facts below, it will be very clear that the vehicles the UN have chosen to procure are NOT what may have been represented to them by N4 Trucks.*”

COMMENT: The use of the language “**NOT what may have been represented to them**” indicates that the complainant does not really know what information N4 Trucks actually provided.

Complainant describes N4 Trucks Ltd (and others) as being “*privy to information about the pending invitation to bid (ITB) before it was made public.*” This is not supported by any evidence.

Complainant alleges: “*At the time of submission of the ITB, the APC accepted by the UN did not exist.*”

COMMENT: This is not actually relevant, it could have been a development or re-configuration of something with a proven track record. Moreover, the complainant would only be able to state this if he was aware of what prototypes or early production models had been built, and to know that, he would really have to have inside knowledge from the manufacturer. It is apparent that he does not.

Complainant alleges: *“It is obvious that a APC that does not yet exist could not have been tested or proven in any way - a reckless oversight for evaluation of a vehicle intended to protect human lives.”*

COMMENT: This is neither logical nor factually correct.

What the complainant describes as “Additional relevant facts” are also examined in detail below:

1) N4 Trucks Limited has associations with Osprea Logistics, Panzer Technologies and Panzer Logistics. These companies offer the same products, sometimes under different names. Osprea Logistics used N4 Trucks Limited as a front for this particular ITB and has since emerged as an active commercial partner of N4 Trucks limited.

COMMENTS:

- The allegation that these companies offer “the same products, sometimes under different names” is not entirely logical or credible.
- Describing N4 Trucks as “a front” is journalistic and simplistic.
- The fact that Osprea Logistics is an active commercial partner of N4 Trucks is irrelevant.

2) The APC concerned is a Mamba Mk5, Mamba (Iveco) or KF411 which changes names as circumstances may require. This vehicle is advertised on Osprea’s web site (www.osprea.com) where several misleading and untrue statements are boldly made – especially regarding the design, manufacture and track record of mine protected vehicles

COMMENTS:

- The claim that it “changes names as circumstances may require” is unsubstantiated and not convincing.
- Complainant offers no specific examples of “misleading and untrue statements.”

*3) Despite claims of ownership of the name “Mamba”, this APC is **NOT** a derivative or evolution of the original South African designed Mamba armored vehicle. The name “Mamba” has been illegally used in an effort to create the impression that the APC being offered has been fully developed and has battlefield experience.*

COMMENTS:

- Complainant claims this APC is **NOT** a derivative or evolution of the original South African designed Mamba vehicle.

- Wikipedia search does not support this claim.

http://en.wikipedia.org/wiki/Mamba_APC

- Describing the use of the “Mamba” name as “illegal” is sensational but has no factual support.

4) Ownership of the “Mamba” brand name is based on Osprea’s registration of a trademark, in Mauritius, in June 2011. Osprea also registered trademarks on a number of existing names of established South African military vehicles in an effort to capitalize on the goodwill that these names have accumulated over many years.

COMMENTS:

- This suggests to me the complainant is a competitor.
- The information is not even relevant.

5) Despite claims of Mine and IED protection, the APC has not been subjected to any land mine blast or IED testing.

COMMENT:

In order for this to be a credible allegation, the Complainant would have to have inside knowledge of Osprea Logistics development activities. There is no information to suggest that they do.

CONCLUSION:

It appears to me that the complainant is probably a bit simplistic in their approach. They do not refer to the terms of the requisition and do not have insight into either the UN or the company to whom the contract was awarded.

My guess, based on personal experience of defence sector marketing techniques is that the complainant is an aggrieved middle-man with a vested interest in promoting the sale of older equipment to the UN, (probably either older versions of the Mamba or Soviet surplus).

I have doubts as to the credibility of the complainant and believe this merits an assessment rather than requiring DFS (or other department) to waste time investigating.

Peter A Gallo