

Dear South Africa is a network of online platforms designed to facilitate government and encourage the public to participate in unbiased decision-making processes or policy formation at SOE, municipal, provincial and national levels.



2023 Eskom Debt Relief Bill 6 April to 21 April 2023

The Standing Committee on Appropriation (National Assembly) invited the public to submit comment on the 2023 Eskom Debt Relief Bill.

The said Bill was tabled with the 2023/24 national budget by the Minister Finance on 22 February 2023. The Money Bill Amendment Procedure and Related Matters Amendment Act, Act No 13 of 2018 requires Parliament to conduct public hearings and to report on all Bills.

The 2023 Eskom Debt Relief Bill (the Bill) seeks to provide for a direct charge against the National Revenue Fund for debt relief for Eskom Holding SOC Ltd, and to provide for matters incidental thereto.

DearSouthAfrica.co.za hosted a participation campaign through an online platform to facilitate, educate and encourage public participation and comment to shape this Bill.

Individual public submissions were prepared and directed to the Standing Committee.

https://dearsouthafrica.co.za/eskom-debt-relief/

# The following was presented on the online campaign page:

- 1 the published related documents as downloadable PDFs
- 2 a live view of public comments (with a counter and breakdown reflecting number of participants)
- 3 video summaries
- 4 links to relevant media articles
- 5 policy-related questions (presented as multiple choice)
- 6 a comment facility to for participants to have a say

Each public entry was individually delivered to Mr S Buthelezi, MP, Chairperson of the Standing Committee on Appropriations (National Assembly), c/o Mr D Arends at daarends@parliament.gov.za. DearSouthAfrica also captured all public submissions – which have been used to produce this report.

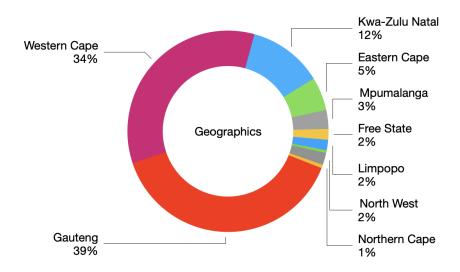


**Note**: In order to accurately reflect public comment, DearSouthAfrica's projects are unbiased and hold no partisan opinion or agenda. Raw captured data is available upon request as an Excel file.

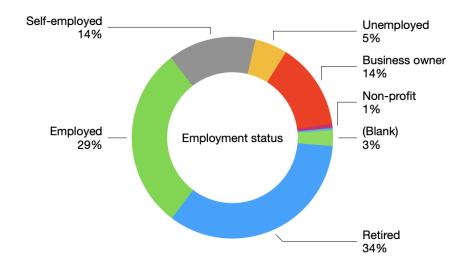
A total of **9,298** comments were received and delivered by the set closing of 21 April 2023 (included in the Excel file). This report reflects the entries received by the closing date.

# Demographics of Participants

Comments originated from all provinces with the greatest input arising from Gauteng, followed by Western Cape and KZN. Demographics can be further broken down into comment options (yes, no, not fully) and by top concern per region upon request, or view the Excel spreadsheet.



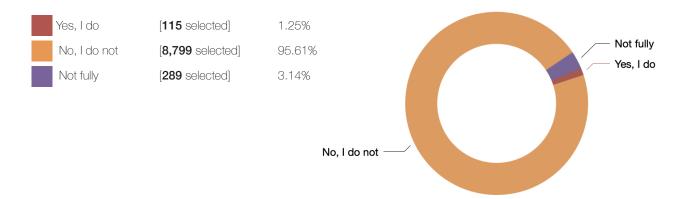
Participation demographics can be further broken down into comment options (yes, no, not fully), employment status, and by top reason per region upon request — or view and sort the attached Excel spreadsheet.

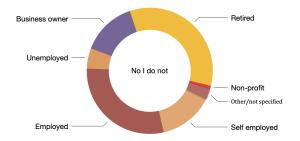


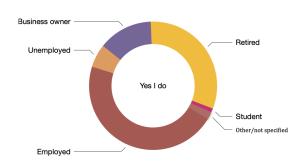


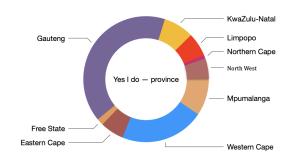
# Two questions presented;

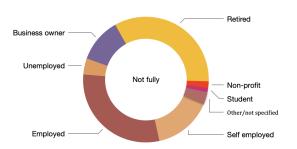
# 1. Do you support the Eskom Debt Relief Bill as proposed?

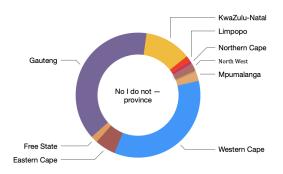


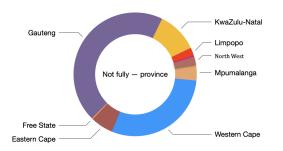








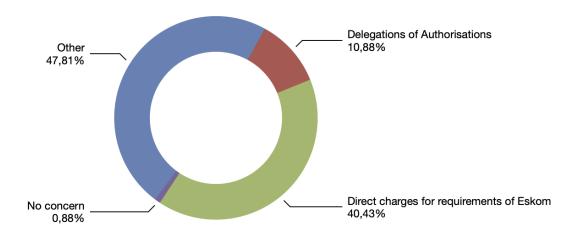






### 2. What is your top reason?

	Other	[ <b>4,400</b> selected]	47.81%
	Delegations of Authorisations	[1,001 selected]	10.88%
	Direct charges for requirements of Eskom	[ <b>3,721</b> selected]	40.43%
	No concern	[81 selected]	0.88%



### Comments

Participants were encouraged to provide comment to justify their selection in order to help shape the Bill.

Of the "Yes, I do" comments, the participants are mostly concerned over the consequences of a failing national electricity producer, dire consequences for the South African economy, loadshedding for many years to come, and a concern over inconsistent renawables. Further comments are raised over concerns surrounding much-needed maintenance to eliminate breakdowns.

### Suggestions and comments from participants who selected "Yes I do" include;

#### Concern; Other

- Looking at the crisp we are having with regard to electricity, I support this fully, provided the funds will be
  utilised to improve the electricity crisis. Additionally, there must be monitoring of the use of funds as well as
  award of tenders to prevent any irregularities. *Nolundi*
- 2. I fully and strongly support Eskom a debt relief bid. If Eskom doesn't get financial aid, how would the problems surrounding South Africa be resolved regarding electricity supply?
  Many of us, including me are unemployed, disabled and live alone, cannot afford anything, unless we receive handouts. We're not that irresponsible yet driven to utter despondency by circumstances. *Popi*



- 3. Unfortunately I have to agree since the alternative is a failed Eskom and no electricity. I do not agree with what I have heard so far on how Eskom is being fixed, but you haven't asked that guestion. *Edmund*
- 4. If this is not done, we'll have load shedding for many many years to come.
  The IPP's will not be able to plug the current gap of supply and demand, without reliable base-load. SA has a huge energy demand industrial economy. We cannot let it fail. Cyprian

### Concern; Delegations of Authorisations

- Funding Eskom is crucial in saving what is left of our economy. Our country and its people livelihood depends on electricity. This energy crises takes away jobs as many companies are closing down. So the sooner Eskom relief is granted the better for every citizen; businesses and investor interest. *Pinky*
- 2. All we need is solution we cannot take it anymore. Sitting around and complaining won't help something much be done, both decisions and implementation or else we are doomed. *Thabo*
- 3. As long as there will be no loadshedding after all this. Mlungisi

### Concern; Direct charges for requirements of Eskom

- 1. I support this bill with conditions. If Eskom management is restructured, and clear goals are set as to how they will tackle the corruption. As a provision, I think that people should pay Eskom directly in regions where municipalities do not have clear audits. In turn, Eskom can reimburse these municipalities. It is key that revenue is collected directly from the consumer and Eskom then allocated part of that revenue back to municipalities. This way it is impossible for Eskom to go into debt. People who do not pay do not get service until they do.
  - The majority of Municipalities cannot be trusted with these monies, they are being paid by consumers and not paying Eskom. There should be no middleman. Only municipalities with a clean audit and good record of paying their Eskom bill should be allowed to collect from the consumer. *Mark*
- 2. The infrastructure deterioration could be resulting in the break downs and therefore debt relief will ensure that finance costs saving are then used for investing in increased electrical capacity for the country. The debt relief should perhaps have related conditions such as performance targets relating to plans to reduce loadshedding short term and long term. *Raesetja*
- 3. Eskom is a strategic backbone of our economy. Lending Eskom money will benefit our own economy to realize socioeconomic development that benefit all citizens and those who invest in our economy. Both citizens and invetors will benefit it is also a good idea unlike borrowing money outside government which may attract huge interests. Borrowing from national treasury is wiser decision. *Azwianewi*

### Concern; No concern

- 1. I know the purpose of this survey is to rally support against the bill, but I believe it's necessary for me to balance that view too Eskom is losing the confidence of the markets, and the ability to raise outside debt (where they can, it's at ever-higher rates). If we don't look the reality in the face we will be paying more either way, and worse, we force Eskom to keep tariffs low then we may end up with a failed utility. The only thing worse than a corrupt and failing utility is a completely failed one, and if it can't raise funds, bankruptcy is a real possibility. That'll be an expensive problem to solve. Christopher
- 2. The relief comes at a good time. Eskom needs to use this money VERY wisely get the grid back to full capacity is top priority. NO CORRUPTION AND NO MISUSE OF THE FUNDS.
  The money must be managed by RESPONSIBLE and TRUSTWORTHY people even if it means to bring back the old staff to manage this project properly. *Dave*



Of the "Not Fully" comments, most participants are in favour of Debt Relief, however, major concerns are raised surrounding the elimination of corruption, mismanagement, recovery of stolen funds, transparency, accountability and a change in "non-payment" culture.

### Suggestions and comments from participants who selected "Not fully" include;

#### Concern; Other

- ESKOM does need funds to continue functioning and be maintained. I do support the ESKOM Debt Relief Bill under the condition that there is full and transparent disclosure of the accounting of ALL expenditures. Klaus
- 2. I do not support further expenditure on fossil-fuel based power generation, whether oil- or gas- or coal-based. I do support serious efforts to obtain clean energy eg solar farms (but not allowing destruction of vegetation or forests or productive agricultural land to make way for biofuels, and not propeller-shaped wind turbines whether on land or offshore). Tim
- 3. Eskom can only receive a loan from taxpayers if the company is privatized as the government should not be in business. They should provide capital for huge startup projects from the taxpayers and this entity should refund the loan to the fiscus after which it should be run for the benefit of the taxpayers by an organization that is not profit only orientated but operational stability orientated. *Jakobus*
- 4. ESKOM is top heavy and need to get rid of salary collectors and appoint capable people who actually work for their salaries. The corruption in all government run entities is just getting too much. Municipalities must get cleaner audits or action must be taken. They are damaging our beautiful country and starving our beautiful people. *Gerald*
- 5. While ESKOM requires more finances in order to best their current upkeep logistics, TOO LITTLE IS BEING DONE TO RECOUP ENERGY SUPPLY COSTS FROM DEFAULTING MUNICIPALITIES. This alone will make a huge difference to their income.
  - Secondly, ALL OF THE SCOUNDRELS INVOLVED IN DEFRAUDING THE STATE (ie ESKOM and the taxpayer) MUST BE BROUGHT TO BOOK FORTHWITH. This will eradicate a significant amount of the irregular expenditure.
  - Thirdly, GET RID OF ALL THE 'DEAD WOOD' (ie the employees that are not performing according to their duty sheets) estimated at about 1/3rd of the 'work'-force. This will significantly reduce the personnel overheads.

There is more, but the above should get the ball rolling. Fred

#### Concern; Delegations of Authorisations

- 1. Though the debt situation at ESKOM is the result of unforgivable bad governance and tremendous corruption, we face the fact that there is no way to fix ESKOM other than complete privatisation and what investor would take on such a poisoned chalice. The result is that, like it or not, to keep ESKOM afloat, we have little choice, as tax payers, other than to cough up. UNLESS you have a solution other than getting people to complain. If you have that solution, please let us know!!!! Alan
- 2. I think if there were no fault on Eskom for debt relief, then I would not mind it to 'clear the slate' so to speak and then see what the next management will do with it.
  - However, my question is also about whether those who owe money to Eskom will also be given relief and their debt written off against Eskom. If these amounts are paid...will the funds then be sent back into debt relief. My understanding is that many municipalities are up to their eyeballs in debt owed to Eskom so what of this debt? Will it be written off as well, and consumers also feel some relief? *Susan*



3. The mess created as a result of gross mismanagement and blatant corruption has brought ESKOM on its knees. To keep the lights and with that trying to recue the economy, financial injection is required but it looks like that again there will be no accountability and control on the expenditure which will cause lots of the fund again will be misappropriated and pilferaged. This "Relief" expenditure should only be allowed under strict independent supervision (Auditors), hence my "Not Fully" answer. Len

### Concern; Direct charges for requirements of Eskom

- 1. The way I see this matter, is Eskom is a SOE and therefore its finances are part of Govt income/expenditure, profit and loss. So whether there is debt relief for the actual state owned entity, the debt is still sovereign debt. To me this a bookkeeping "smoke & mirrors" thing where debt is allocated a different bookkeeping name and is entered on a different page/line in the books of the entity than to the "normal" debt page. I dont see any other means of lessening the overwhelming debt burden eskom faces, which can be apportioned to both national treasury and eskom; corruption and non-payment by customers, etc. Bruce
- 2. I suggest that we lower Eskom's proposed direct charges against the National Revenue Fund by 50% and increase electricity tariffs by 25%.
  - By increasing tariffs (i.e. making electricity more expensive to consumers directly) the revenue generated by Eskom will increase immediately, and increase pressure on those who can to install privately owned energy generation capacity.
  - A large payout in the form of a loan whenever there is a crisis will not work as well as a long-term change in the basic cost of electricity. *Dane*
- 3. My answer is simple. Throw as much money in the form of loans and replace as many board members as one wishes, but if I do not see the culprits of Eskom looting and corruption behind bars, this loan does not deserve to come from my pocket. I will gladly part with my tax payers money if I see a national drive to arrest and convict those whom have accumulatively contributed to Eskoms demise. *Sean*

### Concern; No concern

No comments

Of the "No I do not" comments, participants raised concerns over corruption, mismanagement, constant bailouts, a lack of convictions, and political interference. Solutions include a strong call for privitisation, a reduction of employees, employment of skilled individuals and recovery of Municipal debt.

### Suggestions and comments from participants who selected "No I do not" include;

### Concern; Other

- Dit sal 'n sneeubal-effek veroorsaak munisipaliteite wat nie hul skuld invorder nie met die wete dat hulle gered sal word omdat ons land nie totaal disfunksionele munisipaliteite kan toelaat nie plus die onregverdigheid teenoor betalende burgers.
  - Tweedens is dit motivering vir Eskom om die prys te verhoog tot nadeel van die ekonomie, lae-inkomste burgers terwyl die vraag na Eskom elektrisiteit afneem as gevolg van individuele groen energiebronne wat deur meer en meer mense, groot en klein besighede geïnstalleer word.
  - Derdens die huidige vraag na elektrisiteit is 30% minder as 10 jaar gelede om dieselfde hoeveelheid besigheid 10 jaar gelede te genereer. *Jan (abbreviated)*
- 2. No debt relief from the taxpayers for Eskom. Incompetence, mismanagement, financial irregularities and electricity supply breakdown (to name some) are OLD PROBLEMS. The warnings were there as early as 2002, 21 years ago. Backouts, not euphemistic "loadshedding" have been with us since 2008 (15 years ago). Throwing money at the problem will solve



nothing. It will only create more opportunity for corruption. Those who have stolen from Eskom must pay back, not the taxpayer.

- It is as clear as DAYLIGHT that a different approach is required. We need competition in the energy fields. Private companies should supply energy. *Ruth*
- 3. This will simply be a case of throwing good money after bad. The only way to fix the current situation is to sell individual or small groups of power stations to private companies.
  - By doing this you take the huge budgets used for procurement out of the hands of the ANC. You decentralise procurement thus emptying the feeding trough
  - Let large corporations buy the power plants, secure them, repair and maintain them. they can then sell the electricity to Eskom to distribute. There is no way a private company will allow billions of rands of fuel to be stolen from their plants, they will also not pay R180 for a toilet role like the current thieves do. *Garry*
- 4. There are better ways to deal with the crisis. Firstly, get private enterprises involved in generating and distributing electricity. Also, get people to work for Eskom who are actually competent. *Brian*
- 5. The ANC just keeps throwing money at the problem. This is NOT the solution to Eskoms problems. Get rid of the rotten corrupt leadership, get the coal mafia under arrest. Reduce the number of unnecessary employees at Escom, appoint trained and skilled sraff. Stop exorbitant and undeserved salary increases. Only then will Escom be able to recover. Better yet, completely privatise SA electricity network. *Mike*
- 6. Billions of taxpayers rands have been already granted to Eskom. This money has disappeared. Before new financial assistance is granted, the previous funds should be traced and recalled and used for the purpose to which they were intended: to make Eskom functional again. Too much taxpayers money has been squandered find it and use it before getting new money. *Madi*
- 7. At present anything to do with Eskom is all the way strongly suspicious of corruption in action. It is time to privatise Eskom and get a safe, price wise acceptable and reliable power supply. This privatised new Eskom must have nothing to do with government politics. Also all politicians and known politically orientated Eskom workers on all levels have to be replaced by both business and technically orientated and qualified staff members. Then there is hope. Continuing the enormous, generous funding Eskom has received for very many years is a totally illogical move. Eskom in its present form is not able to deliver. Over very many years Eskom received very large funds to pull itself into stable producing mode. Annually these generously large funds were furher increased. The result of all the funds: South Africa lives with an erratic, totally unreliable Eskom power supply. *Helga*
- 8. This state enterprise (ESKOM) has failed through incompetence of government. SA Citizens have already lost businesses & financially as a result of failed ESKOM. You cannot expect SA Citizens to have to pay for the failure and debt of ESKOM. PRIVATISE ESKOM. Government had its chance of managing ESKOM at a high cost to SA Citizens & Country. You cannot want more & more money without knowing how to manage finances competently. Shameful. *Sonja*
- 9. Debt relief does not get us anywhere. We are still sitting with:
  - 1. A Eskom which has to many employees; (huge wage bill);
  - 2. There are still many Power stations not operating at full capacity;
  - 3. There is no clear plan on the future use of coal, etc; the continued use of coal will impact on South Africa's exports to the European Union in the coming years SA Government has to consider the impact on businesses that are reliant on exports should the European Union ban our exports because of our carbon footprint;
  - 4. The silence is deafening on NuclearPower stations;
  - 5. What about the fraud and the cartels operating out of Eskom;
  - 6. What about holding the various construction companies liable for shoddy workmanship and those in procurement and ultimately poor oversight.
  - 7. Eskom debt should be restructured not funded. Naomi



### Concern; Delegations of Authorisations

- 1. Bailing Eskom out of this financial mess does not fix the problem, only exacerbates it, due to no accountability. The problem, as we all are aware, is corrupt mismanagement. Until it is properly addressed, the corrupters (i.e. EVERYBODY under whose watch this problem materialized) jailed & stolen monies recovered, it will continue to exist & taxpayers foot the bill. Cheryl
- 2. I couldn't complete this yesterday because I didn't have internet connection because Eskom cut off our power. How ironic when the topic under discussion is the bare-faced cheek of the government to expect South Africans to prop up Eskom. Under no circumstances whatsoever should this arrangement be permitted. I object with every fibre of my being. Eskom should be broken up and privatised. There will then be no need for any bail-outs. *Rosemary*
- 3. If the Government continues to give Eskom billions to prop it up there will be no incentive to route out corruption. Government needs to weed out the Cadres and put in responsible well trained experienced engineers & get the place back on track. Those in thew know, know who the corrupt staff & suppliers are. Paying in a never ending supply of cash will not solve the problem. It will just continue to feed the corrupt!! Leach

#### Concern; Direct charges for requirements of Eskom

- 1. Regular handouts from Government will never make anyone accountable & corruption will continue unabated as long as there's "free money" *Carol*
- 2. Enough bailing out Eskom. Companies, municipalities and government departments must be forced to pay up. No free electricity. Everyone should contribute however small an amount. No payment has become endemic in SA. *Michael*
- 3. Once again, the tax-payer is going to have to bail Eskom out of their financial mess rather than restructure and refocus the business to become cost effective and pay off its debts. If this goes ahead it will no doubt perpetuate the ongoing theft and poor performance that the ANC government has enabled. Stop this nonsense now and get Eskom on the right track to make the right decisions rather than constantly pour more money down a black hole.
  Eskom used to be one of the most productive utility companies in the world, and with the ANC's expert
- guidance have created one of the worst utility companies in the world !!!

  4. There is so much corruption, stealing from compliant taxpavers. Eskom gets increases whilst the rest of
- 4. There is so much corruption, stealing from compliant taxpayers, Eskom gets increases whilst the rest of the county is suffering. They should be held accountable. *Celina*

### Concern; No concern

- 1. How can a loan to Eskom be beneficial when Eskom themselves are not capable of proper financial management the only guarantee is that the loan will not be used primarily for it's purpose and used to feather the nest of an already thieving national government. *Arthur*
- 2. The entire ESKOM management is incompetent and corrupt. Recover the money from those that have mismanaged it, are vastly overpaid and receive bonusses for bankrupting SA. *Dieter*
- 3. Hereby I decline the insanity of this R184 billion loan which will have a major affect on the tax payers, putting South Africa in more debt is putting the people of S.A in the gutter for the enrichment of the ruling government, who has proven to the nation how they master international loans to their personal benefits.... NO!!! Beverly



- 4. I bellieve that fraud needs to be disclosed and those guilty of fraud need to be held responsible for their actions. It is unfair that the community needs to pay for a loan for Eskom when those who have defrauded the company get away scot free and with no accountability. *Fleur*
- 4. Privatize Escom and get rid of the useless politicians who think they know what they are doing when it comes to running a business or do know what they are doing when it comes to stealing. *Brad*

## Thank you

Rob Hutchinson — founder, Dear South Africa rob.hutchinson@dearsouthafrica.co.za