**MEDIA STATEMENT**

**SELECT COMMITTEE ON APPROPRIATIONS ADOPTS ESKOM DEBT RELIEF BILL**

**Parliament, Thursday, 8 June 2023 –** The Select Committee on Appropriations has called upon the Minister of Electricity, Department of Public Enterprises and the Department of Cooperative Governance to urgently address load-shedding.

The committee adopted its report on the Eskom Debt Relief Bill. The Bill which, among other things, called for a direct charge against the National Revenue Fund for relief to Eskom. The Eskom Debt Relief forms part of the Bills presented by the Minister of Finance during his budget speech in the National Assembly in February this year.

The committee welcomed the allocation of R254 billion, consisting of R78 billion for the 2023/24 financial year; R66 billion for the 2024/25 financial year; and R40 billion for the 2025/26 financial year. The committee would like to see Parliament intensifying its oversight to ensure that the debt relief package conditions are effectively implemented.

It remains concerned that the Department of Electricity might remain under the Presidency. It is of the view that this might compromise the oversight role of Parliament over this department, given the absence of an oversight committee over the Presidency. Furthermore, the committee does not believe that privatising Eskom will solve all the entity's problems, and that options such as public-private partnerships should instead be explored.

 The committee also recommended that the National Treasury, the Department of Cooperative Governance, and Eskom Board should determine which municipal debt is recoverable and which is not, before writing off Eskom debt.

It urged National Treasury, the Department of Cooperative Governance and the South African Local Government Association to ensure that within 90 days of the adoption of its report by the National Council of Provinces (NCOP), all municipalities that owe Eskom develop a clear plan to make sure that all profits generated from electricity tariffs are ring-fenced and utilised to pay Eskom debt.

The committee further recommended that either legislation or, if needs be the Constitution, is amended to enable National Treasury to slice off monies owed to Eskom by municipalities before transferring their equitable share. It welcomed the participation and contributions of individuals and organisations that submitted inputs on the Eskom Debt Relief Bill during public hearings.

The Eskom Debt Relief Bill will be scheduled for a debate in the NCOP.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE SELECT COMMITTEE ON APPROPRIATIONS, MS DIKELEDI MAHLANGU.**

For media enquiries or interviews with the Chairperson, please contact the committee’s Media Officer:
Name: Jabulani Majozi (Mr)
Parliamentary Communication Services