**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER:** **1412** **[NW1497E]**

**DATE OF PUBLICATION: 5 MAY 2023**

**1412. Dr D T George (DA) to ask the Minister of Finance: [🟊218][ Question submitted for oral reply now placed for written reply because it is in excess of quota (Rule 137(8))]**

Whether, with reference to the withdrawal of the exemption issued by him on 31 March 2023 to Eskom Holdings SOC from section 55(2)(b)(i) of the Public Finance Management Act, Act 1 of 1999, and the National Treasury Regulation 28.2.1 for a period of three years, the exemption still applies to the 2022-23 financial year report by Eskom, as the exemption was still in place on 31 March 2023; if not, what is the position in this regard; if so, what are the relevant details? NO1497E

**REPLY**

In terms of the Government Gazette Notice No 3247 of 31 March 2023, the Minister of Finance granted a partial exemption from section 55(2)(b)(i) of the Public Finance Management Act, 1999 (Act No. 1 of 1999 – the Act) and Treasury Regulation 28.2.1 to ESKOM Holdings SOC Ltd in respect of the 2022/2023, 2023/2024 and 2024/2025 financial years. In terms of Government Notice No. 3270 of 6 April 2023, this exemption was withdrawn in its entirety, covering the 2022/2023, 2023/2024 and 2024/2025 financial years. The exemption would have applied and be still in be place had it not been withdrawn prior to the submission of the Annual Financial Statements to the auditors of Eskom and the National Treasury, i.e., two months after the end of the financial year as per section 55(1)(c) of the PFMA. For the 2022/2023 financial year, the date of submission was the 31 May 2023. Therefore, the withdrawal of the exemption on the 6th of April 2023 was possible.

After considering all public comments on the matter, the Minister of Finance has determined that ESKOM Holdings SOC Ltd not be granted a partial exemption from section 55(2)(b)(i) of the Public Finance Management Act (PFMA) and Treasury Regulation 28.2.1, from disclosing irregular, fruitless and wasteful expenditure, and material losses from criminal conduct in its Annual Financial Statements. Please refer to the attached media statement dated 7 June 2023 covering the Minister of Finance’s decision on the ESKOM Holdings SOC Ltd PFMA exemption.