

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 2571**

**DATE OF PUBLICATION: 21 JULY 2015**

**2571.     Mr E J Marais (DA) to ask the Minister of Public Enterprises:**

(1)       Has her department made any progress in developing alternative and innovative funding arrangements, in light of the National Energy Regulator of South Africa’s recent decision to dismiss Eskom’s latest tariff increase application;

(2)      what has she done to reduce Eskom’s dependence on funding from the fiscus since her appointment on 26 May 2014;

(3)      will she, in light of the restructuring and partial privatisation of Denel in 2002 that led the specified company experiencing a highly successful turnaround whilst remaining 100% state-owned, consider implementing a similar model for the urgent turnaround needed at Eskom; if not, what is her position with regard to the (a) privatisation and/or (b) partial privatisation of Eskom as a means of attracting private capital into the state-owned company; if so, will she concede that the privatisation or partial privatisation of Eskom is a reasonable capital-raising exercise as a way out of the company’s financial plights?                               NW2945E

**REPLY**

(1) Eskom will continue executing the funding plan as approved and where there is a gap as a result of the NERSA decision, bridging finance will be sought.

(2) Eskom continues to drive cost containment programmes to drive efficiencies and is reviewing the Eskom business model to optimally manage the operations.

(3)(a) Privatisation of Eskom in any form is not an option which is being considered as it is not aligned with current Government policy direction.

(3)(b) Options of raising capital in a more sustainable manner (other than full or partial privatisation of Eskom Company) are being evaluated and will be tabled for consideration by the relevant stakeholders of Eskom.