

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION No: 637**

**QUESTION**:



**637: Ms O M C Maotwe( EFF) to ask the Minister of Public Enterprises**

(1) Whether following the widely published interview with the former Chief Executive Officer of Eskom, Mr A De Ruyter, in which he claims that he informed him about criminal activities by a senior government official in relation to Eskom coal contracts, he immediately took steps to ensure that Mr De Ruyter report the criminal activities that he had uncovered, if not, what was his position in this regard, if so, what are the relevant details ?

**REPLY:**

1. There have been many initiatives in Eskom after the State Capture period to identify corrupt individuals, contracts and payments. A number of individuals and companies have been charged, dismissed or required to pay back money that was earned through illegal or improper means. Among these are ABB, McKinsey and others. The above is a result of the work of SIU, DPCI and Eskom’s own investigations.
2. In terms of section 34 of PRECCA, I am advised that:
   1. Mr De Reyter is a “person who holds a position of authority” as the Chief Executive Officer of Eskom and therefore bears a duty to report corrupt transactions to the DPCI in terms of that section; and
   2. I am excluded from the definition of such persons in section 34(4) of PRECCA.
3. In addition, the following law enforcement and other actions relating to Eskom should be noted:
   1. Various measures taken by the Department of Public Enterprises and reported to Parliament regarding the implementation of the recommendations of the Zondo Judicial Commission of Inquiry into Allegations of State Capture, Corruption and Fraud in the Public Sector, including Organs of State regarding Eskom in particular;
   2. The cancellation of coal supply agreements and construction contracts by Eskom with a value of approximately R11 billion ;
   3. Litigation by Eskom that declared invalid coal supply agreements to an approximate value of R3.7 billion;
   4. Preventing further losses of approximately R10 billion to Eskom by setting aside other coal supply agreements and constructions contracts;
   5. Eskom defending arbitrations brought by contractors with an approximate value of R7.2 billion;
   6. Eskom pursuing claims with a value of approximately R4.8 billion against suppliers and former directors of Eskom;
   7. Eskom recovering approximately R2 billion unlawfully paid by Eskom to service providers;
   8. SIU investigations and Eskom disciplinary action regarding 14 coal transportation service providers concerning payments from 01 January 2010 to 31 January 2021;
   9. Ongoing internal investigations into 4 diesel suppliers to Eskom;
   10. SIU referrals of 5,635 matters to Eskom for institution of disciplinary proceedings against employees for their failure to submit financial declarations, declare or get approval for doing work outside of Eskom, as a result of lifestyle audits, whistleblower reports and other internal investigations;
   11. Pending criminal cases or referrals to the National Prosecuting Authority by law enforcement in at least 125 instances and a further 65 referrals to the Asset Forfeiture Unit relating to Eskom;
   12. The Department of Public Enterprises finalising external advice regarding it launching applications to have several former directors of Eskom declared delinquent; and
   13. The inclusion of at least 25 former senior executives at Eskom in a database of individuals dismissed for their involvement in state capture and corruption at Eskom.
4. When Mr De Ruyter advised me of this further investigation, I understood that law enforcement (specifically, the Directorate for Priority Crime Investigation) was involved in the investigation.
5. I have no additional knowledge or evidence of “criminal activities by a senior government official in relation to Eskom coal contracts” referred to in the Question.

**Remarks: Reply: Approved / Not approved**

**Jacky Molisane PJ Gordhan, MP**

**Acting Director-General Minister**

**Date: Date:**