



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

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President of the Republic of South Africa
His Excellency
Hon. Mr C Ramaphosa
Parliament of the Republic of South Africa
P.O. Box 15
Cape Town
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24 August 2018

REQUEST FOR ESKOM'S CHINESE LOAN TERMS TO BE TABLED IN PARLIAMENT IN 14 DAYS

Dear Mr President,

I am writing to you to request that you table the terms of Eskom's R33 billion loan with the Chinese Development Bank in Parliament in 14 days. Failing which the DA will launch a Promotion of Access to Information Act (PAIA) request for the terms of the loan be made public in the interest of openness and transparency.

Eskom Chairman, Jabu Mabuza's reply to DA Shadow Minister of Public Enterprises, Natasha Mazzone MP, disclosed some of the more general terms, but did not provide much detail, and importantly did not provide information on default liability. A loan of this magnitude, with the tax payer likely to foot the loan repayments, must be transparent.

However, in your response to my Oral Question to you in the National Assembly on Wednesday, you assured me that government is committed to transparency and accountability when borrowing money that will need to be paid back by South Africans.

The Chinese Development Bank did not give Eskom a R33 billion loan without rigorous protection against default, which is not outside the realm of possibility given Eskom's precarious financial position. For all we know these loans may be stringent and after Eskom lost R2.3 billion in the last financial year, we are concerned where Eskom will source the revenue to pay back its loans.

Sri Lanka had to give up their port and 15 000 hectares of land when they could not pay back the Chinese Development Bank. South Africa cannot be sold to the highest bidder.

A central tenet of state capture was secrecy between government and extra-state institutions. The government needs to break away from the era of secrecy your predecessor ushered in and make public the terms and conditions of these Chinese loans.

I look forward to your consideration of this request and your favourable response.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Mmusi Maimane', written in a cursive style.

Mmusi Maimane MP
Leader of the Official Opposition