



**DEPARTMENT: PUBLIC ENTERPRISES
REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY
QUESTION FOR ORAL REPLY
QUESTION NO.: PQ 1000**

QUESTION:

1000. Mr D Joseph (DA) to ask the Minister of Public Enterprises:

- (1) What is the total number of international governments and private companies to whom Eskom provided electricity?
- (2) What;
 - (a) is the total amount of outstanding payments to Eskom by the respective clients,
 - (b) are the reasons for the outstanding cost and (c) type of disputes are delaying payment of the outstanding cost;
- (3) What are the implications of the outstanding payments to Eskom on its debt or the special appropriations that Eskom is requesting from the Government;
- (4) What type of supply and payment solutions will Eskom implement to international clients? NW2152E

REPLY:

According to the information received from Eskom

- (1) As at 19 September 2019, the total number of international governments and private companies to whom Eskom provides electricity is 10.
- (2)(a) As at 19 September 2019, the total amount of outstanding payments to Eskom by the respective clients is R632 million.

(2)(b) There are three clients who have outstanding payments to Eskom and the reasons for these are displayed in the table below.

Client		Outstanding Balance Rm	(2)(b) Reasons
1	ZESA Zimbabwe	R322 million	Zimbabwe has economic challenges due to political challenges which have led to it being unable to honour its debt obligations. Eskom and ZESA currently have a payment plan agreement for the settlement of the debt and ZESA is paying off the debt as per the agreement.
2	Electricidade de Mocambique (EDM)	R221 million	Eskom supplies EDM with standby power. The utility has financial constraints due to their generation mix which includes IPP's which are contracted on a take-or-pay basis.
3	ZESCO Zambia	R89 million	ZESCO owes Eskom due to power supplied during the previous drought period. The country has economic challenges which have led to it being unable to honour its debt obligations. Eskom owes ZESCO for energy imbalance which arises out of managing the regional system. Eskom and ZESCO are currently concluding a payment plan agreement for the settlement of the debt.

(2)(c) All the monies owed to Eskom are not in dispute. Eskom's clients acknowledge their debt and attribute economic challenges as well as financial constraints as the cause of their delays in settling the outstanding debt.

(3) These funds could assist minimally with Eskom's cash flows.

(4) Eskom will ensure that future contracts are designed to avoid build-up of debt in future.