

## **The only way to fix Eskom is to eradicate criminality at the utility**

Speech by **Ghaleb Cachalia MP, DA Shadow Minister of Public Enterprises**

One of the key aspects of our jobs as parliamentarians is oversight – especially in times of crisis. And so, it is absolutely crucial that the full extent of the alleged widespread corruption and unabated operations of criminal networks and cartels at Eskom be fully investigated – particularly, as any attempt to fix the utility is predicated on the eradication of such ongoing criminality – with an agenda.

The absence of such a focus will allow this criminality to continue unabated and we all know that while this situation continues, the utility cannot be fixed and in the absence of such fixes, loadshedding is here to stay.

This is why we are calling for the establishment of an ad hoc committee in terms of rule 253.

There is however, a starting point which must be acknowledged and laid squarely at the feet of the ANC- - remember Hitachi Power Africa and ANC corruption at Eskom that paid millions of rands in success fees for lobbying and networking to assist Hitachi to clinch rotten deals at Kusile and Medupi that gave the ANC investment arm, Tata ma Chancellor House a 5000% return and gave the nation a power deficit responsible for endless loadshedding.

The committee needs to investigate the cancellation of the appointment in 2019, of Bowmans Gilfilian Inc to investigate numerous contracts at Eskom, ranging from construction projects to consulting work, valued at more than R178 billion – and in the light of André de Ruyter's departure, the re-instatement of the investigation by him 12 months later during which the Special Investigating Unit (SIU) fought a lone battle exposing graft at the company.

More than 110 criminal matters have been reported to the police since 2018, with an additional 60 cases reported to the NPA by the SIU – many, linked to the construction of the multibillion-rand Kusile Power Station in Mpumalanga that range from wastewater plants and accommodation to coal haulage and even purchasing milk and toilet paper at enormously inflated prices.

It needs to report on Econ Oil & Energy's deals to supply South Africa's Eskom with fuel oil worth more than R15 billion at inflated prices by paying inducements, including donations to the ruling party.

It needs to report on Intelligence reports obtained by Daily Maverick that link two senior members of President Cyril Ramaphosa's Cabinet to four criminal cartels operating inside Eskom – links that expose these cartels to the sabotage of Eskom's power stations and to a programme of political destabilization. Links that de Ruyter was pursuing that led to an attempt on his life.

It needs to re-examine intelligence gathered in the field before the ANC's elective conference in 2022 that suggested a direct link between the sabotage, the cartels, and an orchestrated programme of political destabilisation and the involvement of senior SAPS officers with the Eskom cartels. The intelligence report noted that '[The 'territorial ruler's'] very close

confidante is a certain SAPS brigadier who undermines or frustrates any investigation into his interests.’

It needs to look into why the CEO tasked by the shareholder said he did not believe the government had the political will to end corruption within the power utility; and why he was summarily dismissed for this, having tellingly remarked that the evidence suggested that the power utility is a feeding trough for the ANC. According to De Ruyter, R1 billion was being lost to corruption every month at Eskom – and he should know.

When de Ruyter’s concerns expressed to a nameless senior government minister about attempts to water down governance around the \$8.5 billion in funds being sourced to fund the transition away from fossil fuels, the response was, “you know, you have to be pragmatic – in order to pursue the greater good, you have to enable some people to eat a little bit. So yes, I think it (corruption) is entrenched.”

De Ruyter says he told an unnamed minister that a high-level ANC politician was complicit in the cartel activities. “The minister looked at a senior official and said, ‘I guess that it was inevitable that it would come out anyway’, which suggests that this wasn’t news,” De Ruyter said.

So, to put it another way, we need to know, by way of metaphor, why given that the whole village knew about the flagrant infidelity of the wife of a certain villager, the ostensibly wounded party was unwilling to sanction the offenders? Perhaps he was attending to his buffaloes instead, and too busy minding the money under his mattress – so to speak?