



**MINISTRY
PUBLIC ENTERPRISES
REPUBLIC OF SOUTH AFRICA**

Private Bag X15 Hatfield, 0028 Tel: 012 431 1118/1150 Fax: 012 431 1039
Private Bag X9079, Cape Town, 8000 Tel: 021 461 6376/7 Fax: 021 465 2381/461 1741

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For Immediate Release

Minister Brown statement on Eskom

“Fast-tracking the appointment of Eskom’s new Board was necessitated by the company’s precarious liquidity position and the previous Board’s perceived prevarication in dealing with executives facing serious allegations of impropriety.

“When I strengthened the Board late last year, I retained the then Acting Chairperson, Zethembe Khoza – and three other Non-Executive Directors – on the grounds that continuity was important heading into the last quarter of the current financial year.

“Several senior figures from the business community had indicated their willingness to serve – but did not want to commit themselves on the eve of the ruling party’s elective conference.

“Eskom’s financial circumstances demanded immediate action. At the beginning of January I instructed my Department to urgently consult stakeholders, including the organised business community, to compile a shortlist of proposed new blood for the Board.

“Last week, I wrote to the Deputy President and the Secretary-General of the ruling party to brief them about the proposed interventions.

“The Deputy President meanwhile requested a meeting on Eskom on Friday.

“I briefed President Zuma and Deputy President Ramaphosa on proposed interventions. At the meeting they accepted the nominations sourced by the Department, adding additional names to the list.

“I am delighted that all proposed Board members accepted the request to serve, to put Eskom on the right path.

“The country has the highest expectation in the new Board to reposition Eskom, tighten its governance systems, and traverse a changing energy environment while placing Eskom on a sound financial footing. The Board has the full support of Government.

“A Special General Meeting will soon be scheduled.

“I have already had several discussions with the new chairperson.

“Following the audit findings against Eskom, I introduced immediate changes to the Significant Materiality Framework to improve oversight and increase visibility on transactions,” Minister Brown said.

For enquiries contact Colin Cruywagen on +27 82 3779916.

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