

State of Capture and the Eskom CEO



Eskom CEO, Brian Molefe has handed in his resignation just days after the infamous State of Capture report by the former public protector, Thuli Madonsela was released...

The report attempts to unravel the influence the <u>Gupta family</u> had on the deployment of government ministers and other starelated decisions. This includes those days in December last year when the country changed finance ministers three time in a matter of days, known as <u>Nenegate</u>.



Source: Cape Messenger

Eskom also earned scrutiny over a <u>deal</u> in which a Gupta-owned company, Tegeta Energy Resources & Energy, tendered supply coal to the power utility.

Cell phone tracking shows that Molefe was at or around the Gupta's compound in Saxonwold, Johannesburg on several occasions. Molefe claims he was visiting a shabeen in the exclusive up-market suburb, before breaking down in tears. Shortly thereafter, he tendered his resignation from Eskom.

In a letter to the public, Molefe states: "The report did not make any findings. Instead it made what were termed "observations", based on an investigation not completed.

"It deferred a proper investigation to a commission of inquiry to be established at a future date. The outgoing public protector has directed the president – in whom the constitution vests power to appoint commissions of inquiry – to appoint one, and further directed the chief justice to designate a particular judge to head it.

"It is a matter for regret that the report was prepared in haste to meet a deadline related to the public protector's own departure from office. That her office continues, as all state offices do, and that any uncompleted function is completed by a successor in that office, was not a consideration in the report.

"Observations made in the report relating to, inter alia, my conduct, are in material respects inaccurate, based on partfacts or simply unfounded. What the previous public protector has done is not herself to investigate to completion, or to allow her office to complete what she initiated too late to complete herself. She has also determined on recording 'observations' without, in crucial respects, putting intended harmful disclosures to me first - as she was by law required do. She has effectively deferred my constitutional right to be heard to a future date, and to a further body, which she has ordered others to assemble. "If such a body is indeed by law to be assembled, and carry out the task, it will not be for some time - as recent experience indicates.

"In the meanwhile harm is done - to the institution it has been my honour to lead in the most difficult times, to its reputation and to mine. I say nothing of the harm, too, to others close to me.

"I am confident that, when the time comes, I will be able to show that I have done nothing wrong and that my name will cleared. I shall dedicate myself to showing that an injustice has been done by the precipitate delivery of observations, following an incomplete investigation, which the former public protector has drawn back from calling "findings". The trut will out.

"I have, in the interest of good corporate governance, decided to leave my employ at Eskom from 1 January 2017. I do voluntarily: indeed, I wish to pay tribute to the unfailing support I have had since I took up office from the chairman, the board and those with whom it has been my privilege to work. Together we brought Eskom back from the brink.

"I will take time off to reflect before I decide on my next career move.

"I will reiterate that this act is not an emission of wrongdoing on my part. It is rather what I feel to be the correct thing to do in the interests of the company and good corporate governance.

"I wish to thank the shareholder representative, Lynn Brown, the board, the executive team and all Eskom employees their hard work and guidance in steering the company out of very difficult times during the twenty months that I was privileged to be the group chief executive.

"I go now, because it is in the interests of Eskom and the public it serves, that I do so."

To misquote Confucius, "We live in interesting times", and time will indeed reveal whether Madonsela's "observations" are real or not. But to be fair to Molefe, under his watch, load-shedding seems to be a thing of the past.

ABOUT NICCI BOTHA

Nicci Botha has been wordsmithing for more than 20 years, covering just about every subject under the sun and then some. She's strung together words on sustainable development, maritime matters, mining, marketing, medical, lifestyle... and that elixir of life - chocolate. Nicci has worked for local and international media houses including Primedia, Caxton, Lloyd's an Reuters. Her new passion is digital media.

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