



**Proposed Opening Address  
Dr Jabu Mabuza, Eskom Board Chairman  
Oversight visit by Portfolio Committee on Public Enterprises  
Megawatt Park**

**01 February 2018**

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Chairperson of Portfolio Committee on Public Enterprises, Honourable Lungi Mnganga-Gcabashe

Members of the Portfolio Committee

Members of Eskom Board

Interim Group Chief Executive, Mr Phakamani Hadebe

Ladies and gentlemen

Good morning

It is a great pleasure to host and welcome you to Eskom, so early in my tenure in office. I am not sure between us, who has the tougher job? The portfolio committee for overseeing all state-owned entities or the Eskom Board for heeding the call to oversee this particular SOE with all its colourful history.

It is befitting for me at this point to commend and express profound respect to you for spearheading the public inquiry into maladministration, malfeasance and corruption at Eskom, in the best interests of South Africa. This reminds us that we have a



robust and democratic parliamentary system that is accountable and which fosters positive socio-economic reform.

This visit gives us an opportunity to establish an open relationship and to provide a platform where we can discuss issues of mutual importance for Eskom and the country.

You join us here today, two days after we have released our Interim Results for the period 2017/2018. We see this as one of the first steps in the journey of Eskom's renewal.

We were overwhelmed and pleasantly surprised by the positive media and stakeholder response following the release of our results. While the financial numbers were not so good, the mood and indicators were seen as positive based on the honest and transparent disclosure. South Africans are demonstrating a humbling level of trust in us as the new leadership.

This on its own is a motivation for us to fulfil our duty to improve trust and restore investor confidence in order to access financial markets and to re-establish the credibility of this strategic organisation, which will be celebrating its 95th anniversary in March.

As the new Board, our focus and discussions in the few days we have been in office have centred around three key and inter-related issues, other than releasing the interim results:

- Finding solutions to the liquidity issues we face;
- Addressing governance-related matters as a matter of urgency; and
- Releasing the interim results on a going concern basis before the end of January

These challenges required quick and decisive action. Although these cannot entirely be solved overnight, we believe that the steps already taken are a first step to,



amongst other things, inculcating a renewed culture of good governance and entrenching financial and business discipline as a foundation to restoring the credibility and integrity of this institution.

Reiterating what was conveyed on Tuesday; we are taking an all-hands-on-deck approach to address governance-related matters as a matter of urgency. In this regard, we have seen the departure of several executives implicated in various acts of wrongdoing.

We have also seen it as a critical part of this reform to define a framework within which we as a Board can operate alongside our shareholder – clearly defining where the duties of the Board start and where those of the Ministry end. Linked to that was also to define our expectations with the executives – clearly stating where our duties as a Board stop and where those of the executives start.

The Board firmly believes that getting this operating framework right is critical to ensuring that we always have the right people, at the right place, doing the right things.

Ladies and gentlemen, our mandate is non-negotiable; we need to root out financial mismanagement, malfeasance and maladministration as a critical foundation to restoring transparent and effective governance.

With the right people and support structures in place, the priority is entrenching financial and business discipline as a foundation to rebuilding confidence and restoring the credibility and integrity of this great institution.

These are some of the key principles that are critical to stabilise, reform and ultimately set Eskom up for sustained success.



We have a mammoth task at hand and we are mindful that the road ahead will not be easy, but we believe that through a display of ethical and inspirational leadership, a collaborative and diligent approach by the Board and the Executive, we can deliver on our mandate.

We are mindful that in your position and to fulfil your obligations, your role is to ask very difficult questions. My job is to ensure that you receive the accurate, complete and timeous information at all times.

Ladies and gentlemen, we look forward to a robust and honest dialogue and assure you of our commitment to working with you in an effort to attain a sustainable future.

On that note, I once again wish you a warm welcome to Eskom.

I thank you.