



GAUTENG PROVINCE

HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA

Media Statement

To: All Media

Attention: News Editors and Journalists

Tuesday, 17 March 2020

OUTCOMES OF A MEETING BETWEEN MEC MAILE AND Eskom CEO RUYTER

Johannesburg - Eskom led by its Group Chief Executive, André Ruyter, met with Senior official of the Department of Gauteng's Cooperative Governance and Traditional Affairs (CoGTA) and Executive Mayors led by MEC Lebogang Maile, at the Gauteng Legislature, Central Business District (CDB), Johannesburg.

The meeting was convened by MEC Maile, after an embarrassing and unfortunate incident that saw assets of Emfuleni Local Municipality being seized and attached by Eskom owing to the municipality's unpaid R2,2bn debt.

The meeting was also attended by Mayors and MMCs of all municipalities within the Gauteng City Region (GCR). The meeting was characterised by open, frank, robust and transparent discussions from all stakeholders.

According to MEC Maile "The meeting signalled the beginning of the much needed coordination between government and various organs of state to ensure a systematic, holistic approach in resolving issues that might hinder delivery of services to communities".

Both parties collectively agreed to work closely in promoting a culture of paying for services on time, starting from municipalities and down to communities. This will accord Eskom which is plunged by a series of financial constraints and systematic challenges, an opportunity to meet its own obligations with creditors or banking sector.

In Gauteng alone, Eskom is owed R3,7bn by a number of municipalities, with the exception of Ekurhuleni Metropolitan; City of Johannesburg and Midvaal Local Municipality.

CoGTA will prioritize all efforts in assisting Merafong Municipality; City of Tshwane and Rand West Municipality who are on a verge of being in trouble for non-payment. Both parties agreed to working together in assisting the two municipalities to meet their payment obligations.

The meeting resolved on the following:

- * Emfuleni Local Municipality to pay Eskom R50m by end of business today;
- * Eskom will suspend the seizure of assets upon receipt of payment;
- * Joint teams will work out a feasible, sustainable and affordable payment plan for consideration by both parties;
- * Emfuleni Local Municipality to maintain paying Eskom the current account.

Other matters were deferred to a broader meeting that will be convened in a month's time wherein progress shall be tracked and reflected upon.

Ends

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