



**19 March 2021**

### **Zondo commission – I fought corruption, but became Eskom scapegoat, says Brown**

Former public enterprises minister Lynne Brown has defended her role in the events at Eskom that have been under scrutiny at the state capture commission for several months. She denied that she oversaw the appointment of a “Gupta board” in late 2014, saying that many of its members had no links whatsoever with the Guptas. Brown appeared before the commission on Friday.

She also told the commission that she did not provide the board with names of executives who were to be suspended in March 2015 as purported by several witnesses in previous evidence. If anything, she did her best to fight corruption within Eskom, like her predecessors had done, and did not interfere in the operations of the power utility. However, she was made the scapegoat for Eskom’s troubles, including load shedding, which was a collective responsibility. The scapegoating, which led to an unfavourable profile in the media, led to her resigning as a member of Parliament after being removed from Cabinet in 2018.

“The attacks came to where it actually dealt with personal matters, it dealt with people who had nothing to do with my work, family and friends,” she said.

Asked about her general oversight function while in the ministry, Brown said: “In my time, I could not get rid of corruption. The people before my time could not get rid of corruption...I think at the end of it is actually nothing to do with the companies. It’s to do with the model.

“In my time I got so frustrated in the second year that I started engaging the SIU in dealing with this matter for three SOEs, Transnet, Denel and Eskom. Part of the problem was we spent a long time negotiating the terms with the SIU. There’s also a culture in all of these SOEs – for example, the cost plus coal mines never went out to tender, and procurement is completely decentralised.

“All these large companies that provide Eskom with coal do not want to be affected by any small people coming in. So they get in all the well-known black leaders to be a director in this company or that company,” said Brown.

In order to provide “fresh eyes” for Eskom in the form of a new board, she opted to forego the traditional process of sourcing new board members from a database that existed within the Department of Public Enterprises (DPE), and instead sought to advertise for the positions. This worked in Eskom’s favour, because from the responses, the DPE drew people of different skills who hit the ground running and were dedicated to turning the company around. Little did she know, however, that her actions would earn her so much criticism.

“Many of them were people who had nothing to do with the Guptas, or with Salim Essa...I get involved at the beginning where I sign off on an advert. The DPE decide what the criteria and then at the end of the process I get involved again when they present me with the list,” she said, explaining that she was not personally involved in hand picking the board that started work in early 2015.

Essa has been widely reported to be a close associate of the Gupta family, playing the role of facilitator of their government contracts.

When in March 2015 the idea of an inquiry into Eskom operations was mooted by the board, Brown was supportive, as she herself had worried about its sustainability. Former president Jacob Zuma had suggested to her in February that Gauteng would soon experience a blackout if nothing was done.

The war room that had been established the previous year was helpful, but was not looking into the institutional issues bogging Eskom, just the technical aspects of its crisis. So when the inquiry was suggested, Brown saw it as an opportunity to fix Eskom.

The original discussions over the inquiry, which allegedly happened at a meeting held at the Durban home of former president Jacob Zuma on 8 March, were not known by Brown. She learned of it after that meeting, when board chairperson Zola Tsotsi told her about it. The two of them discussed the areas of business that would be the subject of the inquiry, but not the need for the executives in charge to step aside pending the probe.

Here, Brown’s evidence contradicted that of several board members, who said the discussion on suspensions of CEO Tshediso Matona, finance director Tsholofelo Molefe, Head of group capital Dan Marokane and head of commercial and technology Matshela Koko, were led by her.

“If they had been asked to step aside or not, would not have mattered to me. The thing that mattered to me was that there is interference [by executives],” she said.

Molefe’s inclusion has been a point of contention before the commission. It has heard several different versions of evidence on whether or not she was initially meant to be suspended along with her three colleagues, or if her name was added at the last minute at the behest of Brown, who joined a board meeting on the day of the suspensions at board’s request.

“What I did say [in the meeting], and I saw it in Ms Molefe’s affidavit ...is this must happen as quickly as possible,” said Brown, referring to the inquiry.

She was then pressed by evidence leader Advocate Pule Seleka on the evidence of former company secretary Suzanne Daniels that she learned from Essa, on the eve of the meeting, that four executives would be suspended, including Molefe.

“Perhaps I was the one who added the FD to the list. In all the conspiracies, the meetings, I am the only one who held the view that Eskom was in a financial crisis,” she said, citing the scapegoating she had referred to earlier.

At this point commission chairperson Deputy Chief Justice Raymond Zondo made the proposition to Brown that it was probable that board members who had been opposed to Molefe’s addition, reneged on their positions when they learned that the minister was in support of adding her.

Brown retorted that for a board that was characterised as a Gupta board, they sure acted meekly, adding that a decision of the board of any state-owned entity is final – not even the minister or president can sway them.

Brown's evidence could not be concluded as commission was to go into an evening session. She is expected to return on a date that is yet to be communicated.

**Useful links:**

[Zondo Commission website](#)

Corruption Watch's [Zondo Commission update page](#)

[Eskom](#)