

14 January 2021

Zondo commission – Molefe wanted Singh with him at Eskom

Former acting director-general in the Department of Public Enterprises Matsietsi Mokholo told the commission of inquiry into state capture on Thursday that it was former Eskom CEO Brian Molefe who insisted on the secondment of Anoj Singh to the power utility in 2015.

In a meeting attended by Mokholo in April of that year, former Transnet chairperson Linda Mabaso said that despite Molefe's contract at Transnet having just over a year left, she was happy for him to jump ship as Eskom had more pressing issues than Transnet at the time. This was after CEO Tshediso Matona and three other executives were suspended from their roles just weeks before.

Asked if she got a sense that the topic was had been discussed before, Mokholo said it appeared to have been discussed prior to the meeting by the two chairpersons.

Molefe joined Eskom in mid-April on an acting basis, after a five-year stint at Transnet that started in early 2011, and was later appointed permanently. Once the approval of his secondment was finalised, he told the Eskom board that he could only turn the company around if he had the support of Singh as part of his team. The position of chief finance officer, which Singh was to occupy, was made vacant when Tsholofelo Molefe was suspended along with Matona in March.

Tsholofelo Molefe told the commission in previous testimony last year that she had been shocked at the decision of the board to suspend her as there had not been any signs of problems in interactions with its finance committee during the lead-up to the suspension. Ngubane's predecessor Zola Tsotsi, who was chairperson at the time of suspensions, resigned at the end of March 2015. His version of events was that the genesis of the suspensions happened outside Eskom, at a meeting on 8 March 2015 at the Durban official home of former president Jacob Zuma. The discussion there centred on Eskom's performance, and private consultant Nick Linnell, who had been roped in by then South African Airways chairperson Dudu Myeni to advise on a way forward, suggested the suspension of all executives who headed up the problem areas.

At this stage, Tsotsi said in previous testimony, Tsholofelo Molefe's name had not come up. It was only on the morning of 11 March, the day the suspensions happened, that it made it on to the list.

Mokholo had earlier told the commission of a call she had received from Zuma in late February in which he instructed her to call Tsotsi and postpone a scheduled board meeting of the next day. Conflicted by the instruction, Mokholo tried unsuccessfully to reach Brown, who was out of the country on Denel business at the time. The conflict for her arose from the fact that it was not protocol for the president to call off a meeting of the board of a state owned enterprise, and the instruction put her in a difficult position, she told the commission.

When she did eventually call Tsotsi to tell him of Zuma's instruction, he was equally puzzled. Tsotsi would receive an instruction in the days that followed to avail himself for the Durban meeting.

The commission learned in October last year from Henk Bester, a Transnet contractor, that he had heard from Gupta associate Salim Essa of Brian Molefe's move to Eskom as early as 2014. He had been invited by Singh to a meeting at Melrose Arch in Johannesburg to discuss outstanding payment to his company by Transnet, only for the meeting to be taken over by Essa demanding a partnership with Bester's company for Transnet work.

Useful links:

Zondo Commission website Corruption Watch's Zondo Commission update page

Transnet

<u>Eskom</u>