



## **EFF STATEMENT ON ESKOM DEVIATIONS IN THE AWARDING OF CONTRACTS**

Friday, 14 July 2023

The Economic Freedom Fighters (EFF) is dismayed by the recent revelations that Eskom awarded contracts to the value of over R76 billion between 01 December 2019 and 31 March 2022 without following prescribed processes. This happened at the height of Andre de Ruyter's mismanagement of Eskom, and with the approval of the National Treasury.

During that time, Eskom granted 49 contracts through deviations, bypassing the need for competitive tendering. By providing various weak justifications, Eskom persuaded the National Treasury that advertising the tenders was unnecessary or inconvenient for those specific contracts.

This practice of seeking permission from the National Treasury to deviate from standard tender procedures became so prevalent among State organs, with Eskom being a major offender, that as of April 2022, organs of State no longer needed to obtain permission from the National Treasury to deviate from normal tender procedures.

This change implies that unscrupulous leaders within State entities can now award contracts to their associates without adhering to proper procedures and without the oversight of the National Treasury. It grants those engaged in corruption within State entities the freedom to determine which contracts go

through the tender process and which ones are allocated to their corrupt partners.

It is clear that this decision to remove the requirement for entities to seek the approval of the National Treasury for contract deviations could only have been inspired by the nefarious ambitions of those in the leadership of the State, in order to continue their hollowing out of State institutions without any procedural impediments.

Regarding Eskom's deviations, the EFF has consistently maintained that De Ruyter aimed to replace black individuals and companies with white counterparts. Among the companies awarded contracts through these deviations are Bowmans Gilfillan, and ENSAfrica: predominantly owned and operated by white individuals. De Ruyter and his associates did not oppose corruption at Eskom as long as it served the interests of white individuals.

The EFF condemns this growing practice of awarding tenders via deviations, and we will formally challenge the decision that permits State entities to deviate without the approval of the National Treasury. In the meantime, South Africa must remain aware that what the Ramaphosa clique is doing to the country will make the Zuma years seem like a Sunday picnic.

**ISSUED BY THE ECONOMIC FREEDOM FIGHTERS**

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