



NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL

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Nedlac Media Statement
17 December 2019

The National Economic Development and Labour Council held an urgent Executive Council Meeting to Measures to Address Energy and Electricity Crisis in the Country in Rosebank on 17 December 2019

The National Economic Development and Labour Council (Nedlac) today on the 17 December 2019, held an urgent Special Executive Council (Exco), following the escalating energy crisis and the challenges faced by Eskom. Exco is Nedlac's most senior governance and decision-making structure, with a meeting convened on a quarterly basis. Each Exco meeting comprises of a session with a Cabinet Minister.

The Nedlac urgent Exco meeting was held in order to receive a briefing from the Ministers of Public Enterprises, Energy and Finance on the plans in place to address the ongoing Energy and Eskom Crisis.

The meeting resolved on a number of areas, however, attention was given to the urgent need to identify immediate and long-term solutions to Eskom's operational, financial and structural challenges. In addition, a strong message was relayed to assure all South Africans that a workable plan is in place to secure a more sustainable solution for the security of electricity supply. This remains a major concern for society as a whole, and by utilizing platforms such as Nedlac, this allows for a collective approach to the addressing of such matters.

Following extensive engagements of possible solutions, the main problems faced by Eskom, its maintenance programmes and the efficiency of the executive management, a number of areas were identified to address the continued energy crisis. The following items were agreed for implementation:

1. The Minister of Minerals and Energy committed to facilitating the speeding up the licensing of independent power generation. NERSA further committed to facilitating this process.
2. Eskom has committed to ensuring continuous performance improvement of its generation fleet and to the reduction of the generation capacity gap in megawatts in order to maintain consistent power supply.

3. Eskom to improve its maintenance programme of current power stations as well as working towards fixing the problems at the two-mega power stations (Medupi and Khusile) while also looking at the general improvement of the power generation systems as a whole.
4. The Social Partners agreed to empower the current Eskom Leadership Task Team at Nedlac, to provide a much more focussed monitoring system and deal with the agreed issues and accelerate implementation.
5. Eskom committed to ensuring that a high-level Eskom delegation is made available to the task team.
6. NEDLAC will continue to prioritise the work of the Eskom Leadership Task Team in developing long-term strategies towards a dynamic and sustainable power provision as well as the Just Transition from coal energy to alternative other sources of energy with the wellbeing of affected employees and communities.
7. Social Partners to support the incoming Eskom CEO, in ensuring that Eskom succeeds and delivers on its mandate, without interruption.

All partners condemned the escalating non-payment of services and urged all Government, Business, Labour and Community at large, to use and pay for the services rendered to them. This task will need all Social Partners to work together through advocacy within their respective constituencies.

Further engagements on the matter and how certain issues may be addressed, will be discussed at the Eskom Task Team level.

[ENDS]

Issued by:

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