

Former Eskom employees nabbed for fraud

Two former Eskom senior managers are among those arrested for alleged fraud, corruption and money laundering worth R745 million.



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Hawks spokesperson, Brigadier Hangwani Mulaudzi said the former managers as well as two other business directors among others, were arrested early hours of Thursday in Mpumalanga, Limpopo and Gauteng provinces by the Hawks' Serious Commercial Crime Investigation team.

The suspects were arrested in connection with fraud and corruption committed at Eskom's Kusile power station which is located in Mpumalanga.

"Investigations began when suspicions were raised into the construction of two large projects at Medupi and Kusile power stations. This revealed that there was apparent gross manipulation of contractual agreements between contractors, Eskom employees and third parties at Kusile power station," said Mulaudzi.

He added that in-depth investigations pointed to the fact that the contract was manipulated in several ways including, amongst others manipulation of the Eskom's procurement system by officials who occupied senior management positions.

In June 2015, Eskom's Kusile Project management team submitted a request to Eskom Procurement Committee for a mandate to negotiate and conclude a contract with one of the companies.

“The contract was approved in 2015 for R745 million to build two Air Cooled Condensers (ACC) units at Kusile power station. It is alleged that from February 2015 to July 2017, the appointed companies, other related entities and individuals shared approximately R30 million amongst themselves,” said Mulaudzi.

The team worked in collaboration with the National Prosecuting Authority’s Investigative Directorate.

The suspects were expected to appear in the Johannesburg Regional Court.

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