

# Makana Municipality defaults on Eskom debt

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Financially struggling Makana Municipality defaulted on its payment to Eskom in December in contravention of a [court order](#).



Source: Sebnem Ragiboglu © [123RF.com](#)

The municipality was taken to court by the Grahamstown Business Forum, the Grahamstown Residents Association and other parties in June 2019. The municipality acknowledged that it owed R44m to Eskom as at 31 May 2019, and an agreement was made with Eskom to repay the debt in six instalments of R7.5m a month for six months. The Eastern Cape High Court made the agreement an order of the court.

But municipal spokesperson Yoliswa Ramokolo confirmed on 26 January that the municipality had failed to make the fifth payment due at the end of December 2021.



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27 Jan 2022



## Arrangement made with Eskom

She said arrangements had been made with Eskom to pay the R7.5m outstanding at the end of the month.

“The municipality is also waiting for departments and other schools to make payment, which will assist in addressing the December current account payment. We are in communication with Eskom,” said Ramokolo.

Grahamstown Business Forum chairperson Richard Gaybba said it was worrying that the municipality had failed to pay. “Hopefully, Makana will make payment soon to adhere to the court order,” said Gaybba.

Sally Price-Smith of the Makana Residents Association said the association was paying close attention to the payment schedule.

An email sent to Eskom for comment had not been answered by the time of publication.

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